

FORM X-17A-5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION FOCUS REPORT (FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT) PART II CSE 11

(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a) [X] 16 2) Rule 17a-5(b) [ ] 17 3) Rule 17a-11 [ ] 18 4) Special request by designated examining authority [ ] 19 5) Other [ ] 26

NAME OF BROKER-DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED [13]

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do not use P.O. Box No.)

ONE BRYANT PARK [20]

(No. and Street)

NEWYORK [21] NY [22] 10036 [23]

(City) (State) (Zip Code)

SEC. FILE NO.

8-07221 [14]

FIRM ID NO.

7691 [15]

FOR PERIOD BEGINNING (MM/DD/YY)

07/01/13 [24]

AND ENDING (MM/DD/YY)

09/30/13 [25]

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

William E. Tirrell [30]

(201)557-2105 [31]

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

[32]

[33]

[34]

[35]

[36]

[37]

[38]

[39]

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ? YES [X] 40 NO [ ] 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT [ ] 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 23rd day of October 20 13

Manual Signatures of:

1) Principal Executive Officer or Managing Partner

2) Principal Financial Officer or Partner

3) Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f (a) )

CONFIDENTIAL TREATMENT REQUESTED BY MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED UNDER FOIA



FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER

as of 09/30/13

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

Allowable

Nonallowable

Total

10. Securities owned not readily marketable:			
A. At Cost . . . . . \$	0 <span style="border: 1px solid black; padding: 0 2px;">130</span>	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">440</span>	\$ 3,019,138,785 <span style="border: 1px solid black; padding: 0 2px;">610</span> \$ 3,019,138,785 <span style="border: 1px solid black; padding: 0 2px;">860</span>
11. Other investments not readily marketable:			
A. At Cost . . . . . \$	0 <span style="border: 1px solid black; padding: 0 2px;">140</span>		
B. At estimated fair value . . . . .	0 <span style="border: 1px solid black; padding: 0 2px;">450</span>	39,132,851 <span style="border: 1px solid black; padding: 0 2px;">620</span>	39,132,851 <span style="border: 1px solid black; padding: 0 2px;">870</span>
12. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities . . . . . \$	0 <span style="border: 1px solid black; padding: 0 2px;">150</span>		
B. Other . . . . . \$	0 <span style="border: 1px solid black; padding: 0 2px;">160</span>	0 <span style="border: 1px solid black; padding: 0 2px;">630</span>	0 <span style="border: 1px solid black; padding: 0 2px;">880</span>
13. Secured demand notes-market value of collateral:			
A. Exempted securities . . . . . \$	0 <span style="border: 1px solid black; padding: 0 2px;">170</span>		
B. Other . . . . . \$	0 <span style="border: 1px solid black; padding: 0 2px;">180</span>	0 <span style="border: 1px solid black; padding: 0 2px;">640</span>	0 <span style="border: 1px solid black; padding: 0 2px;">890</span>
14. Memberships in exchanges:			
A. Owned, at market value . . . . . \$	7,757,870 <span style="border: 1px solid black; padding: 0 2px;">190</span>		
B. Owned at cost . . . . .		1,551,939 <span style="border: 1px solid black; padding: 0 2px;">650</span>	
C. Contributed for use of company, at market value . . . . .		0 <span style="border: 1px solid black; padding: 0 2px;">660</span>	1,551,939 <span style="border: 1px solid black; padding: 0 2px;">900</span>
15. Investment in and receivables from affiliates, subsidiaries and associated partnerships . . . . .	0 <span style="border: 1px solid black; padding: 0 2px;">480</span>	2,986,853,770 <span style="border: 1px solid black; padding: 0 2px;">670</span>	2,986,853,770 <span style="border: 1px solid black; padding: 0 2px;">910</span>
16. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization) . . . . .	0 <span style="border: 1px solid black; padding: 0 2px;">490</span>	255,401,104 <span style="border: 1px solid black; padding: 0 2px;">680</span>	255,401,104 <span style="border: 1px solid black; padding: 0 2px;">920</span>
17. Other Assets:			
A. Dividends and interest receivable . . . . .	580,131,074 <span style="border: 1px solid black; padding: 0 2px;">500</span>	4,462,579 <span style="border: 1px solid black; padding: 0 2px;">690</span>	
B. Free shipments . . . . .	0 <span style="border: 1px solid black; padding: 0 2px;">510</span>	56,486,697 <span style="border: 1px solid black; padding: 0 2px;">700</span>	
C. Loans and advances . . . . .	0 <span style="border: 1px solid black; padding: 0 2px;">520</span>	2,500,000 <span style="border: 1px solid black; padding: 0 2px;">710</span>	
D. Miscellaneous . . . . .	145,486,659 <span style="border: 1px solid black; padding: 0 2px;">530</span>	7,913,388,470 <span style="border: 1px solid black; padding: 0 2px;">720</span>	
E. Collateral accepted under SFAS 140 . . . . .	7,400,056,065 <span style="border: 1px solid black; padding: 0 2px;">536</span>		
F. SPE Assets . . . . .	1,715,553,298 <span style="border: 1px solid black; padding: 0 2px;">537</span>		17,818,064,842 <span style="border: 1px solid black; padding: 0 2px;">930</span>
18. TOTAL ASSETS . . . . . \$	<u>260,836,332,575</u> <span style="border: 1px solid black; padding: 0 2px;">540</span>	<u>14,443,735,059</u> <span style="border: 1px solid black; padding: 0 2px;">740</span>	<u>275,280,067,634</u> <span style="border: 1px solid black; padding: 0 2px;">940</span>

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER	as of <u>09/30/13</u>
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	

STATEMENT OF FINANCIAL CONDITION  
LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>Total</u>
19. Bank loans payable:	
A. Includable in "Formula for Reserve Requirements" .....	\$ <u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1460</span>
B. Other .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1470</span>
20. Securities sold under repurchase agreements.	<u>125,146,070,396</u> <span style="border: 1px solid black; padding: 0 2px;">1480</span>
21. Payable to brokers or dealers and clearing organizations:	
A. Failed to receive:	
1. Includable in "Formula for Reserve Requirements" .....	<u>444,869,774</u> <span style="border: 1px solid black; padding: 0 2px;">1490</span>
2. Other .....	<u>295,972,374</u> <span style="border: 1px solid black; padding: 0 2px;">1500</span>
B. Securities loaned:	
1. Includable in "Formula for Reserve Requirements" .....	<u>1,286,992,425</u> <span style="border: 1px solid black; padding: 0 2px;">1510</span>
2. Other .....	<u>22,260,821,829</u> <span style="border: 1px solid black; padding: 0 2px;">1520</span>
C. Omnibus accounts:	
1. Includable in "Formula for Reserve Requirements" .....	<u>7,896,368,246</u> <span style="border: 1px solid black; padding: 0 2px;">1530</span>
2. Other .....	<u>39,524,036</u> <span style="border: 1px solid black; padding: 0 2px;">1540</span>
D. Clearing organizations:	
1. Includable in "Formula for Reserve Requirements" .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1550</span>
2. Other .....	<u>70,130,309</u> <span style="border: 1px solid black; padding: 0 2px;">1560</span>
E. Other .....	<u>538,040,251</u> <span style="border: 1px solid black; padding: 0 2px;">1570</span>
22. Payable to customers:	
A. Securities accounts - including free credits of . . . . . \$ <u>10,743,712,364</u> <span style="border: 1px solid black; padding: 0 2px;">950</span>	<u>15,805,551,926</u> <span style="border: 1px solid black; padding: 0 2px;">1580</span>
B. Commodities accounts .....	<u>9,496,245,401</u> <span style="border: 1px solid black; padding: 0 2px;">1590</span>
23. Payable to non customers:	
A. Securities accounts .....	<u>7,850,190,955</u> <span style="border: 1px solid black; padding: 0 2px;">1600</span>
B. Commodities accounts .....	<u>2,460,752,845</u> <span style="border: 1px solid black; padding: 0 2px;">1610</span>
24. Derivative Payables: .....	<u>588,001,592</u> <span style="border: 1px solid black; padding: 0 2px;">1561</span>
25. Trade Date Payable: .....	<u>90,894,249</u> <span style="border: 1px solid black; padding: 0 2px;">1562</span>
26. Securities sold not yet purchased at market value - including arbitrage of . . . . . \$ <u>533,884,312</u> <span style="border: 1px solid black; padding: 0 2px;">960</span>	<u>37,956,696,609</u> <span style="border: 1px solid black; padding: 0 2px;">1620</span>
27. Accounts payable and accrued liabilities and expenses:	
A. Drafts payable .....	<u>527,920,648</u> <span style="border: 1px solid black; padding: 0 2px;">1630</span>
B. Accounts payable .....	<u>2,195,790,258</u> <span style="border: 1px solid black; padding: 0 2px;">1640</span>
C. Income taxes payable .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1650</span>
D. Deferred income taxes .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1660</span>
E. Accrued expenses and other liabilities ..	<u>2,823,917,065</u> <span style="border: 1px solid black; padding: 0 2px;">1670</span>
F. Other .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1680</span>
G. Obligation to return securities .....	<u>7,400,056,065</u> <span style="border: 1px solid black; padding: 0 2px;">1686</span>
H. SPE Liabilities .....	<u>1,715,553,298</u> <span style="border: 1px solid black; padding: 0 2px;">1687</span>

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>09/30/13</u>
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STATEMENT OF FINANCIAL CONDITION  
LIABILITIES AND OWNERSHIP EQUITY (continued)

<u>Liabilities</u>	<u>Total</u>	
28. Notes and mortgages payable:		
A. Unsecured .....	\$	0 1690
B. Secured .....		0 1700
29. Liabilities subordinated to claims of general creditors:		
A. Cash borrowings: .....	12,078,000,000	1710
1. from outsiders \$ _____ 0 970		
2. Includes equity subordination(15c3-1(d)) of ..... \$ 5,858,000,000 980		
B. Securities borrowings, at market value: .....	0	1720
from outsiders \$ _____ 0 990		
C. Pursuant to secured demand note collateral agreements: .....	0	1730
1. from outsiders \$ _____ 0 1000		
2. Includes equity subordination(15c3-1(d)) of ..... \$ _____ 0 1010		
D. Exchange memberships contributed for use of company, at market value .....	0	1740
E. Accounts and other borrowings not qualified for net capital purposes .....	0	1750
30. TOTAL LIABILITIES .....	\$ 258,968,360,551	1760
<u>Ownership Equity</u>		
31. Sole proprietorship .....	\$	0 1770
32. Partnership - limited partners .....	\$ _____ 0 1020	0 1780
33. Corporation: .....		
A. Preferred stock .....	0	1791
B. Common stock .....	1,000	1792
C. Additional paid- in capital .....	10,366,527,304	1793
D. Retained Earnings .....	5,945,178,779	1794
E. Total .....	16,311,707,083	1795
F. Less capital stock in treasury .....	( 0 )	1796
34. TOTAL OWNERSHIP EQUITY .....	\$ 16,311,707,083	1800
35. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....	\$ 275,280,067,634	1810

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/13

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	16,311,707,083	3480
2. Deduct: Ownership equity not allowable for Net Capital		( 0 )	3490
3. Total ownership equity qualified for Net Capital		16,311,707,083	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		12,078,000,000	3520
B. Other (deductions) or allowable credits (List)		0	3525
5. Total capital and allowable subordinated liabilities	\$	28,389,707,083	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	14,443,735,059	3540
1. Additional charges for customers' and non-customers' security accounts		23,922,888	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		38,484,660	3570
1. number of items		753	3450
C. Aged short security differences-less reserve of	\$	0	3460
number of items		0	3470
D. Secured demand note deficiency		0	3590
E. Commodity futures contracts and spot commodities - proprietary capital charges		0	3600
F. Other deductions and/or charges		632,588,793	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)		0	3615
H. Total deductions and/or charges		( 15,138,731,400 )	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Tentative Net Capital	\$	13,250,975,683	3640
9. Total Market Risk Exposure	\$	1,219,020,619	3635
10. Total Credit Risk Exposure	\$	29,407	3679
11. Net Capital	\$	12,031,925,657	3750

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/13

COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

12. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	901,130,259	3870
13. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries	\$	631,095,776	3880
14. Net capital requirement (greater of line 12 or 13)	\$	901,130,259	3760
15. Excess net capital (line 11 less 14)	\$	11,130,795,398	3910
16. Percentage of Net Capital to Aggregate Debits (line 11 divided by line 18 page 10)	%	61.90	3851
17. Percentage of Net Capital, <u>after</u> anticipated capital withdrawals, to Aggregate Debits item 11 less Item 4880 page 19 divided by line 18 page 10)	%	61.90	3854
18. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	11,060,050,167	3920

OTHER RATIOS

Part B

19. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	21.91	3860
20. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) divided by Net Capital	%		3852