

**STATEMENT OF FINANCIAL CONDITION**  
(\$ in Millions)

**2008**

		1st QTR	2nd QTR	3rd QTR	4th QTR	
<b>ASSETS</b>						
	Item					
1.	Cash	750	\$27,110	\$27,195	\$62,437	\$24,866
2.	Cash segregated in compliance with federal and other regulations	760	65,452	56,480	70,454	77,946
3.	Receivable from brokers or dealers and clearing organizations:					
	A. Failed to deliver:	770	117,492	53,183	228,851	30,344
	B. Securities borrowed:	780	2,066,578	1,946,083	1,607,927	1,118,010
	C. Omnibus accounts:	790	16,086	16,334	23,842	18,898
	D. Clearing Organizations:	800	34,941	29,893	34,204	48,432
	E. Other	810	78,143	89,290	97,731	70,913
4.	Receivables from customers:	820	260,239	220,299	293,102	118,963
5.	Receivables from non-customers:	830	48,415	37,893	46,588	21,084
6.	Securities purchased under agreements to resell	840	1,201,357	1,244,956	1,460,640	1,076,667
7.	Securities and spot commodities owned, at market value:	850	1,364,278	1,177,797	1,262,667	1,000,703
8.	Securities owned not readily marketable:	860	14,969	12,682	10,334	7,986
9.	Other investments not readily marketable:	870	2,658	3,568	3,135	2,593
10.	Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:	880	63	60	59	44
11.	Secured demand notes-market value of collateral:	890	362	363	362	270
12.	Memberships in exchanges:	900	290	312	279	266
13.	Investment in and receivables from affiliates, subsidiaries and associated partnerships(910)	910	32,239	22,809	24,404	21,420
14.	Property, furniture, equipment, leasehold improvements and rights under lease agreements:	920	6,723	7,138	7,254	7,211
15.	Other Assets:	930	226,853	210,128	219,303	149,166
16.	<b>TOTAL ASSETS</b>	940	\$5,564,248	\$5,156,463	\$5,453,573	\$3,795,782
<b>LIABILITIES</b>						
17.	Bank loans payable:					
	A. Includable in "Formula for Reserve Requirements"	1460	\$3,733	\$3,510	\$2,875	\$2,254
	B. Other	1470	86,776	51,539	56,749	22,375
18.	Securities sold under repurchase agreements.	1480	2,390,225	2,279,836	2,526,554	1,833,395
19.	Payable to brokers or dealers and clearing organizations:					
	A. Failed to receive:					
	1. Includable in "Formula for Reserve Requirements"	1490	36,503	18,583	54,809	11,450
	2. Other	1500	104,057	46,586	210,645	26,266
	B. Securities loaned:					
	1. Includable in "Formula for Reserve Requirements"	1510	21,796	28,063	22,127	9,347
	2. Other	1520	833,698	692,501	523,020	346,757
	C. Omnibus accounts:					
	1. Includable in "Formula for Reserve Requirements"	1530	9,424	10,067	3,750	2,905
	2. Other	1540	315	4,107	6,379	4,026
	D. Clearing organizations:					
	1. Includable in "Formula for Reserve Requirements"	1550	7,723	961	1,473	303
	2. Other	1560	11,964	10,497	24,890	6,019
	E. Other	1570	88,131	82,255	98,230	54,400

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20.	Payable to customers:					
	A. Securities accounts	1580	670,487	698,828	679,998	489,191
	B. Commodities accounts	1590	97,925	104,703	110,127	111,780
21.	Payable to non customers:					
	A. Securities accounts	1600	\$90,686	\$80,594	\$76,466	\$56,816
	B. Commodities accounts	1610	15,959	17,134	23,866	25,233
22.	Securities sold not yet purchased at market value	1620	436,042	399,559	343,455	226,377
23.	Accounts payable and accrued liabilities and expenses:					
	A. Drafts payable	1630	3,927	3,755	5,045	3,191
	B. Accounts payable	1640	41,683	36,603	30,777	19,800
	C. Income taxes payable	1650	1,131	1,635	1,896	1,855
	D. Deferred income taxes	1660	76	69	52	21
	E. Accrued expenses and other liabilities	1670	99,862	78,002	89,231	86,827
	F. Other	1680	23,121	21,404	83,756	26,719
	G. Obligation to return securities	1686	145,936	135,015	141,042	82,721
	H. SPE Liabilities	1687	11,725	9,331	4,874	4,571
24.	Notes and mortgages payable:					
	A. Unsecured	1690	45,609	48,554	54,904	56,619
	B. Secured	1700	34,425	35,533	21,816	40,033
25.	Liabilities subordinated to claims of general creditors:					
	A. Cash borrowings:	1710	142,259	142,558	139,403	131,737
	B. Securities borrowings, at market value:	1720	0	0	1	0
	C. Pursuant to secured demand not collateral agreements:	1730	336	336	336	262
	D. Exchange memberships contributed for use of company, at market value	1740	0	0	0	0
	E. Accounts and other borrowings not qualified for net capital purposes	1750	190	196	76	60
26.	<b>TOTAL LIABILITIES</b>	1760	\$5,455,724	\$5,042,314	\$5,338,622	\$3,683,310
	<b><u>OWNERSHIP EQUITY</u></b>					
27.	Sole proprietorship	1770	\$1	\$1	\$4	\$1
28.	Partnership - limited partners	1780	15,490	15,719	16,751	17,242
29.	Corporation:					
	A. Preferred stock	1791	1,437	1,436	1,456	1,456
	B. Common stock	1792	326	326	326	325
	C. Additional paid- in capital	1793	95,282	102,429	115,295	122,562
	D. Retained Earnings	1794	(3,942)	(5,690)	(18,872)	(29,105)
	E. Less capital stock in treasury	1796	(70)	(72)	(9)	(9)
30.	<b>TOTAL OWNERSHIP EQUITY</b>	1800	\$108,524	\$114,149	\$114,951	\$112,472
31.	<b>TOTAL LIABILITIES AND OWNERSHIP EQUITY</b>	1810	\$5,564,248	\$5,156,463	\$5,453,573	\$3,795,782