

STATEMENT OF FINANCIAL CONDITION

(\$ in Millions)

		2007				
		1st QTR	2nd QTR	3rd QTR	4th QTR	
ASSETS		Item				
1.	Cash	750	\$17,573	\$24,446	\$16,147	\$22,558
2.	Cash segregated in compliance with federal and other regulations	760	48,799	46,004	54,667	61,375
3.	Receivable from brokers or dealers and clearing organizations:					
	A. Failed to deliver:	770	29,327	42,103	30,941	46,776
	B. Securities borrowed:	780	2,326,553	2,368,397	2,327,874	2,107,058
	C. Omnibus accounts:	790	15,324	16,553	19,021	16,951
	D. Clearing Organizations:	800	18,965	124,570	22,121	23,380
	E. Other	810	100,271	109,255	94,340	74,883
4.	Receivables from customers:	820	224,090	267,846	222,630	228,452
5.	Receivables from non-customers:	830	25,250	33,427	44,133	61,773
6.	Securities purchased under agreements to resell	840	1,138,846	1,177,326	1,154,507	1,165,508
7.	Securities and spot commodities owned, at market value:	850	1,228,253	1,244,326	1,285,898	1,320,139
8.	Securities owned not readily marketable:	860	16,361	16,373	18,503	17,444
9.	Other investments not readily marketable:	870	2,620	2,681	2,698	2,723
10.	Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:	880	76	79	83	73
11.	Secured demand notes-market value of collateral:	890	432	283	282	282
12.	Memberships in exchanges:	900	282	309	271	283
13.	Investment in and receivables from affiliates, subsidiaries and associated partnerships(910)	910	23,096	27,002	30,184	30,914
14.	Property, furniture, equipment, leasehold improvements and rights under lease agreements:	920	5,637	5,733	6,340	6,606
15.	Other Assets:	930	289,046	364,152	319,428	272,257
16.	TOTAL ASSETS	940	\$5,510,801	\$5,870,865	\$5,650,068	\$5,459,435
LIABILITIES						
17.	Bank loans payable:					
	A. Includable in "Formula for Reserve Requirements"	1460	\$2,840	\$3,885	\$4,210	\$4,317
	B. Other	1470	80,018	92,827	76,697	79,577
18.	Securities sold under repurchase agreements.	1480	2,288,962	2,316,774	2,369,195	2,318,282
19.	Payable to brokers or dealers and clearing organizations:					
	A. Failed to receive:					
	1. Includable in "Formula for Reserve Requirements"	1490	15,892	21,353	13,377	16,726
	2. Other	1500	22,745	129,172	27,821	46,604
	B. Securities loaned:					
	1. Includable in "Formula for Reserve Requirements"	1510	31,332	46,471	26,301	26,132
	2. Other	1520	1,108,171	1,091,655	1,087,817	967,311
	C. Omnibus accounts:					
	1. Includable in "Formula for Reserve Requirements"	1530	10,016	11,135	12,799	11,293
	2. Other	1540	204	301	1,862	4,151
	D. Clearing organizations:					
	1. Includable in "Formula for Reserve Requirements"	1550	3,834	4,913	2,560	6,465
	2. Other	1560	3,881	5,136	3,594	3,896
	E. Other	1570	89,209	83,690	82,494	66,958

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20.	Payable to customers:					
	A. Securities accounts	1580	442,437	482,262	521,713	607,794
	B. Commodities accounts	1590	66,078	70,051	77,989	86,945
21.	Payable to non customers:					
	A. Securities accounts	1600	\$108,216	\$111,266	\$87,611	\$86,678
	B. Commodities accounts	1610	12,796	16,906	14,638	13,982
22.	Securities sold not yet purchased at market value	1620	480,921	527,507	447,839	411,407
23.	Accounts payable and accrued liabilities and expenses:					
	A. Drafts payable	1630	4,655	6,537	5,733	5,254
	B. Accounts payable	1640	49,613	63,536	59,551	39,380
	C. Income taxes payable	1650	3,055	3,175	2,940	1,705
	D. Deferred income taxes	1660	176	147	98	98
	E. Accrued expenses and other liabilities	1670	118,905	138,131	118,731	109,720
	F. Other	1680	34,146	22,718	18,412	22,693
	G. Obligation to return securities	1686	213,931	275,833	234,488	195,681
	H. SPE Liabilities	1687	16,931	22,422	18,441	12,916
24.	Notes and mortgages payable:					
	A. Unsecured	1690	43,865	57,863	57,819	55,847
	B. Secured	1700	38,471	34,143	26,315	7,560
25.	Liabilities subordinated to claims of general creditors:					
	A. Cash borrowings:	1710	103,606	111,787	131,324	140,855
	B. Securities borrowings, at market value:	1720	2	0	3	20
	C. Pursuant to secured demand not collateral agreements:	1730	408	259	258	258
	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	205	205	214	212
26.	TOTAL LIABILITIES	1760	\$5,395,521	\$5,752,060	\$5,532,844	\$5,350,717
	<u>OWNERSHIP EQUITY</u>					
27.	Sole proprietorship	1770	\$2	\$2	\$1	\$1
28.	Partnership - limited partners	1780	12,066	13,220	13,660	14,594
29.	Corporation:					
	A. Preferred stock	1791	1,437	1,437	1,437	1,437
	B. Common stock	1792	1,011	314	315	315
	C. Additional paid- in capital	1793	71,066	73,246	74,303	78,573
	D. Retained Earnings	1794	29,768	30,657	27,578	13,868
	E. Less capital stock in treasury	1796	-70	-71	-70	-70
30.	TOTAL OWNERSHIP EQUITY	1800	\$115,280	\$118,805	\$117,224	\$108,718
31.	TOTAL LIABILITIES AND OWNERSHIP EQUITY	1810	\$5,510,801	\$5,870,865	\$5,650,068	\$5,459,435