

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

MORGAN STANLEY SMITH BARNEY LLC

as of 10/31/13

STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES

SEGREGATION REQUIREMENTS (Section 4d(2) of the CEAct)

1. Net ledger balance			
A. Cash	\$	593,739,238	7010
B. Securities (at market)		39,593,864	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		(25,687,155)	7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market		42,130,940	7032
B. Deduct market value of open option contracts granted (sold) on a contract market	(	32,086,945	7033
4. Net equity (deficit) (add lines 1, 2, and 3)		617,689,942	7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount		2,392,444	7045
Less: amount offset by customer owned securities	(	6,453	7047
6. Amount required to be segregated (add lines 4 and 5)	\$	620,075,933	7060

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts			
A. Cash		26,159,758	7070
B. Securities representing investments of customers' funds (at market)			7080
C. Securities held for particular customers or option customers in lieu of cash (at market)		39,593,864	7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash	\$		7100
B. Securities representing investments of customers' funds (at market)			7110
C. Securities held for particular customers or option customers in lieu of cash (at market)			7120
9. Net settlement from (to) derivatives clearing organizations of contract markets			7130
10. Exchange traded options			
A. Value of open long option contracts			7132
B. Value of open short option contracts	(		7133
11. Net equities with other FCMs			
A. Net liquidating equity		656,851,478	7140
B. Securities representing investments of customers' funds (at market)			7160
C. Securities held for particular customers or option customers in lieu of cash (at market)			7170
12. Segregated funds on hand (describe: _____)	)		7150
13. Total amount in segregation (add lines 7 through 12)		722,605,100	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)	\$	102,529,167	7190

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STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS

1. Amount required to be segregated in accordance
with Commission regulation 32.6

\$ 7200

2. Funds in segregated accounts

A. Cash

\$ 7210

B. Securities (at market)

7220

C. Total

7230

3. Excess (deficiency) funds in segregation

(subtract line 2.C from line 1)

\$ 7240

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BROKER OR DEALER MORGAN STANLEY SMITH BARNEY LLC	as of <u>10/31/13</u>
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STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
FOR FOREIGN FUTURES AND FOREIGN OPTIONS CUSTOMERS
PURSUANT TO COMMISSION REGULATION 30.7

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS - SUMMARY

I. Check the appropriate box to identify the amount shown on line 1, below.

- ☐ 7300 Secured amounts in only U.S. - domiciled customers' accounts
- ☒ 7310 Secured amounts in U.S. and foreign - domiciled customers' accounts
- ☐ 7320 Net liquidating equities in all accounts of customers trading on foreign boards of trade
- ☐ 7330 Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder.

II. Has the FCM changed the method of calculating the amount to be set aside in separate accounts since the last financial report it filed ?

- ☐ Yes 7340 If yes, explain the change below
- ☒ No 7350

1. Amount to be set aside in separate section 30.7 accounts	\$ <u>55,631,576</u> 7360
2. Total funds in separate section 30.7 accounts (page T10-4, line 8)	<u>86,430,023</u> 7370
3. Excess (deficiency) - (subtract line 1 from line 2)	\$ <u><u>30,798,447</u></u> 7380

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FOR FOREIGN FUTURES AND FOREIGN OPTIONS CUSTOMERS
PURSUANT TO COMMISSION REGULATION 30.7

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks

A. Banks located in the United States \$ 24,409,439 7500
B. Other banks designated by the Commission
Name(s): 7510 5,069,368 7520 \$ 29,478,807 7530

2. Securities

A. In safekeeping with banks located in the United States \$ 119,995 7540
B. In safekeeping with other banks designated by the Commission
Name(s): 7550 119,995 7570

3. Equities with registered futures commission merchants

A. Cash \$ 56,832,381 7580
B. Securities 7590
C. Unrealized gain (loss) on open futures contracts 7600
D. Value of long option contracts 7610
E. Value of short option contracts (1,160) 7615 56,831,221 7620

4. Amounts held by clearing organizations of foreign boards of trade

Name(s): 7630
A. Cash \$ 7640
B. Securities 7650
C. Amount due to (from) clearing organizations - daily variation 7660
D. Value of long option contracts 7670
E. Value of short option contracts () 7675 7680

5. Amounts held by members of foreign boards of trade

Name(s): 7690
A. Cash \$ 7700
B. Securities 7710
C. Unrealized gain (loss) on open futures contracts 7720
D. Value of long option contracts 7730
E. Value of short option contracts () 7735 7740

6. Amounts with other depositories designated by a foreign board of trade

Name(s): 7750 7760

7. Segregated funds on hand (describe:) 7765

8. Total funds in separate section 30.7 accounts (to page T10-3 line 2) \$ 86,430,023 7770

A. If any securities shown are other than the types of securities referred to in CFTC Regulation 1.25, attach a separate schedule detailing the obligations shown on each such line.

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STATEMENT OF SEQUESTRATION REQUIREMENTS AND
FUNDS IN CLEARED OTC DERIVATIVES SEQUESTERED ACCOUNTS

CLEARED OTC DERIVATIVES CUSTOMER REQUIREMENTS

1. Net ledger balance		
A. Cash	\$	8500
B. Securities (at market)		8510
2. Net unrealized profit (loss) in open cleared OTC derivatives		8520
3. Cleared OTC derivatives options		
A. Market value of open cleared OTC derivatives option contracts purchased		8530
B. Market value of open cleared OTC derivatives option contracts granted (sold)	(	8540
4. Net equity (deficit) (add lines 1, 2 and 3)	\$	8550
5. Accounts liquidating to a deficit and accounts with debit balances		
- gross amount	\$	8560
Less: amount offset by customer owned securities	(	8570
6. Amount required to be sequestered for cleared OTC derivatives customers		8580
(add lines 4 and 5)	\$	8590

FUNDS IN CLEARED OTC DERIVATIVES CUSTOMER SEQUESTERED ACCOUNTS

7. Deposited in cleared OTC derivatives customer sequestered accounts at banks		
A. Cash	\$	8600
B. Securities representing investment of customers' funds (at market)		8610
C. Securities held for particular customers or option customers in lieu of cash (at market)		8620
8. Margins on deposit with derivatives clearing organizations in cleared OTC derivatives customer sequestered accounts		
A. Cash		8630
B. Securities representing investment of customers' funds (at market)		8640
C. Securities held for particular customers or option customers in lieu of cash (at market)		8650
9. Net settlement from (to) derivatives clearing organizations		8660
10. Cleared OTC derivatives options		
A. Value of open cleared OTC derivatives long option contracts		8670
B. Value of open cleared OTC derivatives short option contracts	(	8680
11. Net equities with other FCMs		
A. Net liquidating equity		8690
B. Securities representing investment of customers' funds (at market)		8700
C. Securities held for particular customers or option customers in lieu of cash (at market)		8710
12. Cleared OTC derivatives customer funds on hand		8715
13. Total amount in sequestration (add lines 7 through 12)	\$	8720
14. Excess (deficiency) funds in sequestration (subtract line 6 from line 13)	\$	8730