SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 26, 1999

COMMISSION FILE NUMBER 1-7182

MERRILL LYNCH & CO., INC.
(Exact name of registrant as specified in its charter)

DELAWARE	13-2740599
(State of incorporation)	(I.R.S. Employer Identification No.)
WORLD FINANCIAL CENTER, NORTH TOWER, NEW YORK, NEW YORK	10281-1332
(Address of principal executive offices)	(Zip Code)

(212) 449-1000
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

363,473,557 shares of Common Stock and 4,386,135 Exchangeable Shares as of the close of business on April 30, 1999. The Exchangeable Shares, which were issued by Merrill Lynch & Co., Canada Ltd. in connection with the merger with Midland Walwyn Inc., are exchangeable at any time into Common Stock on a one-for-one basis and entitle holders to dividend, voting, and other rights equivalent to Common Stock.

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)

<TABLE>
<CAPTION>

(dollars in millions, except per share amounts)	FOR THE THREE MONTHS ENDED MARCH 26, 1999	MARCH 27,(1) 1998	PERCENT (2) INC. (DEC.)
<S>	<C>	<C>	<C>
REVENUES			
Commissions	$1,567	$1,463	7.1%
Interest and dividends	3,965	4,814	(17.6)
Principal transactions	1,444	1,171	23.3
Investment banking	633	831	(23.9)
Asset management and portfolio service fees	1,110	1,029	7.8
Other	132	80	65.9

TOTAL REVENUES	8,851	9,388	(5.7)
Interest Expense	3,585	4,626	(22.5)
NET REVENUES	5,266	4,762	10.6
NON-INTEREST EXPENSES			
Compensation and benefits	2,762	2,499	10.5
Communications and technology	480	392	22.5
Occupancy and related depreciation	227	201	12.5
Advertising and market development	152	177	(14.0)
Brokerage, clearing, and exchange fees	154	156	(1.2)
Professional fees	117	152	(22.7)
Goodwill amortization	57	55	2.9
Other	321	263	22.3
Total Non-Interest Expenses	4,270	3,895	9.6
EARNINGS BEFORE INCOME TAXES AND DIVIDENDS ON PREFERRED SECURITIES ISSUED BY SUBSIDIARIES	996	867	14.8
INCOME TAX EXPENSE	338	330	2.5
Dividends on Preferred Securities Issued by Subsidiaries	49	23	110.1
NET EARNINGS	$ 609	$ 514	18.4%
NET EARNINGS APPLICABLE TO COMMON STOCKHOLDERS	$ 599	$ 504	18.8%
EARNINGS PER COMMON SHARE			
Basic	$ 1.65	$1.44	
Diluted	$ 1.44	$1.26	
DIVIDEND PAID PER COMMON SHARE	$ .24	$ .20	
AVERAGE SHARES USED IN COMPUTING EARNINGS PER COMMON SHARE			
Basic	364.0	349.5	
Diluted	415.7	400.2	

</TABLE>

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(1) Amounts have been restated from that originally reported on Form 10-Q to reflect the 1998 merger with Midland Walwyn Inc., accounted for as a pooling-of-interests.

(2) Percentages are based on actual numbers before rounding.

See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

<TABLE>
<CAPTION>

(dollars in millions)	MARCH 26, 1999	DECEMBER 25, 1998
<S>	<C>	<C>
ASSETS		
CASH AND CASH EQUIVALENTS	$ 10,761	$ 12,530

CASH AND SECURITIES SEGREGATED FOR REGULATORY PURPOSES OR DEPOSITED WITH CLEARING ORGANIZATIONS	5,857	6,590
RECEIVABLES UNDER RESALE AGREEMENTS AND SECURITIES BORROWED TRANSACTIONS	101,719	87,713
MARKETABLE INVESTMENT SECURITIES	5,429	4,605
TRADING ASSETS, AT FAIR VALUE		
Equities and convertible debentures	25,901	25,318
Contractual agreements	16,873	21,979
Corporate debt and preferred stock	20,718	21,166
U.S. Government and agencies	13,631	15,421
Non-U.S. governments and agencies	6,715	7,474
Mortgages, mortgage-backed, and asset-backed	9,968	7,023
Other	3,416	3,358
	97,222	101,739
Securities received as collateral, net of securities pledged as collateral	8,556	6,106
Total	105,778	107,845
SECURITIES PLEDGED AS COLLATERAL	13,750	8,184
OTHER RECEIVABLES		
Customers (net of allowance for doubtful accounts of $68 in 1999 and $48 in 1998)	31,120	29,559
Brokers and dealers	5,054	8,872
Interest and other	9,594	9,278
Total	45,768	47,709
INVESTMENTS OF INSURANCE SUBSIDIARIES	4,365	4,485
LOANS, NOTES, AND MORTGAGES (net of allowance for loan losses of $115 in 1999 and $124 in 1998)	8,463	7,687
OTHER INVESTMENTS	2,934	2,590
EQUIPMENT AND FACILITIES (net of accumulated depreciation and amortization of $3,610 in 1999 and $3,482 in 1998)	2,801	2,761
GOODWILL (net of accumulated amortization of $374 in 1999 and $338 in 1998)	5,174	5,364
OTHER ASSETS	1,821	1,741

TOTAL ASSETS	$314,620	$299,804
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</TABLE>
See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

<TABLE>
<CAPTION>

(dollars in millions, except per share amount)	MARCH 26, 1999	DECEMBER 25, 1998
<S>	<C>	<C>
LIABILITIES		
PAYABLES UNDER REPURCHASE AGREEMENTS AND SECURITIES LOANED TRANSACTIONS	$ 70,012	$ 67,127
COMMERCIAL PAPER AND OTHER SHORT-TERM BORROWINGS	11,431	18,679
DEMAND AND TIME DEPOSITS	13,553	13,744
TRADING LIABILITIES, AT FAIR VALUE		
Contractual agreements	21,063	23,840
Equities and convertible debentures	21,328	21,558
U.S. Government and agencies	12,102	7,939
Non-U.S. governments and agencies	8,760	7,245
Corporate debt and preferred stock	2,968	2,878
Other	289	254
Total	66,510	63,714
OBLIGATION TO RETURN SECURITIES RECEIVED AS COLLATERAL	22,306	14,290
OTHER PAYABLES		
Customers	18,103	20,972
Brokers and dealers	17,217	7,899
Interest and other	18,002	18,738
Total	53,322	47,609
LIABILITIES OF INSURANCE SUBSIDIARIES	4,260	4,319
LONG-TERM BORROWINGS	59,907	57,563

TOTAL LIABILITIES	301,301	287,045
PREFERRED SECURITIES ISSUED BY SUBSIDIARIES	2,627	2,627
STOCKHOLDERS' EQUITY		
PREFERRED STOCKHOLDERS' EQUITY	425	425
COMMON STOCKHOLDERS' EQUITY		
Shares exchangeable into common stock	65	66
Common stock, par value $1.33 1/3 per share; authorized: 1,000,000,000 shares; issued: 1999 - 472,661,774; 1998 - 472,660,324	630	630
Paid-in capital	1,624	1,427
Accumulated other comprehensive loss (net of tax)	(272)	(122)
Retained earnings	10,986	10,475
	13,033	12,476
Less: Treasury stock, at cost: 1999 - 111,326,144 shares; 1998 - 116,376,259 shares	1,957	2,101
Employee stock transactions	809	668
TOTAL COMMON STOCKHOLDERS' EQUITY	10,267	9,707
TOTAL STOCKHOLDERS' EQUITY	10,692	10,132
TOTAL LIABILITIES, PREFERRED SECURITIES ISSUED BY SUBSIDIARIES, AND STOCKHOLDERS' EQUITY	$314,620	$299,804

</TABLE>
See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<TABLE>
<CAPTION>

	FOR THE THREE MONTHS ENDED	
(dollars in millions)	MARCH 26, 1999	MARCH 27, 1998
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 609	$ 514
Noncash items included in earnings:		
Depreciation and amortization	162	133
Policyholder reserves	54	58
Goodwill amortization	57	55
Other	133	281
(Increase) decrease in operating assets(a):		
Trading assets	3,772	(14,763)

Cash and securities segregated for regulatory purposes or deposited with clearing organizations	733	(785)
Receivables under resale agreements and securities borrowed transactions	(14,006)	(13,720)
Customer receivables	(1,566)	(2,826)
Brokers and dealers receivables	3,818	(957)
Other	(861)	(676)
Increase (decrease) in operating liabilities(a):		
Trading liabilities	2,796	1,965
Payables under repurchase agreements and securities loaned transactions	2,885	17,955
Customer payables	(2,869)	1,128
Brokers and dealers payables	9,318	4,604
Other	(700)	1,626
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	4,335	(5,408)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from (payments for):		
Maturities of available-for-sale securities	1,563	1,000
Sales of available-for-sale securities	951	659
Purchases of available-for-sale securities	(2,533)	(1,799)
Maturities of held-to-maturity securities	205	237
Purchases of held-to-maturity securities	(222)	(179)
Loans, notes, and mortgages	(782)	(1,331)
Acquisitions, net of cash acquired	(20)	(5,220)
Other investments and other assets	(424)	(435)
Equipment and facilities	(202)	(280)
CASH USED FOR INVESTING ACTIVITIES	(1,464)	(7,348)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from (payments for):		
Commercial paper and other short-term borrowings	(7,248)	4,494
Demand and time deposits	(191)	748
Issuance and resale of long-term borrowings	8,914	7,763
Settlement and repurchase of long-term borrowings	(5,921)	(3,144)
Issuance of subsidiaries' preferred securities	-	750
Issuance of treasury stock	75	56
Other common stock transactions	(171)	(129)
Dividends	(98)	(79)
CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	(4,640)	10,459
DECREASE IN CASH AND CASH EQUIVALENTS	(1,769)	(2,297)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	12,530	12,072
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 10,761	$ 9,775

(a) Net of effects of acquisitions.

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Income taxes	$ 111	$ 95
Interest	3,537	4,333

</TABLE>

See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
MARCH 26, 1999
(dollars in millions, except per share amounts)

NOTE 1. BASIS OF PRESENTATION

The Consolidated Financial Statements include the accounts of Merrill Lynch & Co., Inc. ("ML & Co.") and subsidiaries (collectively, "Merrill Lynch"). All material intercompany balances have been eliminated. The December 25, 1998 consolidated balance sheet was derived from the audited financial statements. The interim consolidated financial statements for the three-month periods are unaudited; however, in the opinion of Merrill Lynch management, all adjustments, consisting only of normal recurring accruals, necessary for a fair statement of the results of operations have been included.

These unaudited financial statements should be read in conjunction with the audited financial statements included in Merrill Lynch's Annual Report included as an exhibit to the Form 10-K for the year ended December 25, 1998. The nature of Merrill Lynch's business is such that the results of any interim period are not necessarily indicative of results for a full year. Prior period amounts have been restated to reflect the 1998 merger of Midland Walwyn Inc. with Merrill Lynch, which has been accounted for as a pooling-of-interests. Certain reclassifications have also been made to prior period financial statements, where appropriate, to conform to the current period presentation.

NOTE 2. SHORT-TERM BORROWINGS

Short-term borrowings at March 26, 1999 and December 25, 1998 are presented below:

	MARCH 26, 1999	DECEMBER 25, 1998
PAYABLES UNDER REPURCHASE AGREEMENTS AND SECURITIES LOANED TRANSACTIONS		
Repurchase agreements	$62,275	$59,501
Securities loaned transactions	7,737	7,626
Total	$70,012	$67,127
COMMERCIAL PAPER AND OTHER SHORT-TERM BORROWINGS		
Commercial paper	$ 9,436	$16,758
Bank loans and other	1,995	1,921
Total	$11,431	$18,679
DEMAND AND TIME DEPOSITS		
Demand	$ 3,964	$ 4,454
Time	9,589	9,290
Total	$13,553	$13,744

NOTE 3. COMMON STOCK

In February 1999, ML & Co. issued 1,450 shares of Common Stock to certain non-U.S. employees in connection with an employee incentive plan grant, thereby increasing issued shares to 472,661,774.

NOTE 4. SEGMENT INFORMATION

In reporting to management, Merrill Lynch's operating results are categorized into two business segments: Wealth Management and Corporate and Institutional Client Group ("CICG"). For more information on these segments, see the 1998 Annual Report included as an exhibit to Form 10-K.

Operating results by business segment follow:

<TABLE>
<CAPTION>

	WEALTH MANAGEMENT	CICG	CORPORATE ITEMS	TOTAL
THREE MONTHS ENDED MARCH 26, 1999				
<S>	<C>	<C>	<C>	<C>
Net interest revenue (a)	$ 280	$ 166	$ (66)(b)	$ 380
All other revenues	2,774	2,112	-	4,886
Net revenues	3,054	2,278	(66)	5,266
Non-interest expenses	2,551	1,662	57 (c)	4,270

Earnings before income taxes	503	616	(123)	996
Income tax expense (benefit)	187	179	(28)	338
Dividends on preferred securities issued by subsidiaries	-	-	49	49
Net earnings	$ 316	$ 437	$ (144)	$ 609
Total assets	$48,596	$260,736	$5,288	$314,620

<CAPTION>

THREE MONTHS ENDED
MARCH 27, 1998
<S> <C> <C> <C> <C>

Net interest revenue (a)	$ 253	$ 3	$ (68)(b)	$ 188
All other revenues	2,552	2,022	-	4,574
Net revenues	2,805	2,025	(68)	4,762
Non-interest expenses	2,302	1,538	55 (c)	3,895
Earnings before income taxes	503	487	(123)	867
Income tax expense (benefit)	197	152	(19)	330
Dividends on preferred securities issued by subsidiaries	-	-	23	23
Net earnings	$ 306	$ 335	$ (127)	$ 514
Total assets	$40,084	$313,377	$5,435	$358,896

</TABLE>

(a) Management views interest income net of interest expense in evaluating results.
(b) Represents Mercury financing costs.
(c) Represents goodwill amortization from acquisitions.

NOTE 5. COMPREHENSIVE INCOME

The components of comprehensive income are as follows:

<TABLE>
<CAPTION>

	THREE MONTHS ENDED	
	MARCH 26, 1999	MARCH 27, 1998
<S>	<C>	<C>
Net earnings	$ 609	$ 514
Other comprehensive income (loss), net of tax:		
Currency translation adjustment	(117)	18
Net unrealized (losses) on investment securities available-for-sale	(33)	(6)
Total other comprehensive income (loss), net	(150)	12
Comprehensive income	$ 459	$ 526

</TABLE>

NOTE 6. EARNINGS PER COMMON SHARE

Information relating to earnings per common share computations follows:

<TABLE>
<CAPTION>

THREE MONTHS ENDED

	MARCH 26, 1999	MARCH 27, 1998
<S>	<C>	<C>
Net earnings	$ 609	$ 514
Preferred stock dividends	10	10
Net earnings applicable to common stockholders	$ 599	$ 504
(shares in thousands)		
Weighted-average shares outstanding	364,039	349,495
Effect of dilutive instruments(1) (2):		
Employee stock options	29,833	29,338
FCCAAP shares	16,548	16,831
Restricted units	5,161	4,496
ESPP shares	81	89
Dilutive potential common shares	51,623	50,754
Total weighted-average diluted shares	415,662	400,249
Basic earnings per common share	$ 1.65	$ 1.44
Diluted earnings per common share	1.44	1.26

</TABLE>

(1) At March 26, 1999, there were 469 instruments that were considered antidilutive and were not included in the above computations.

(2) See Note 10 to Consolidated Financial Statements in the 1998 Annual Report included as an exhibit to Form 10-K for a description of these instruments.

NOTE 7. DERIVATIVES AND OTHER COMMITMENTS

Merrill Lynch enters into various derivative contracts to meet clients' needs and to manage its own market risks. Derivative contracts often involve future commitments to exchange interest payment streams or currencies (such as interest rate and currency swaps or foreign exchange forwards) or to purchase or sell other financial instruments at specified terms on a specified date. Options, for example, can be purchased or written on a wide range of financial instruments such as securities, currencies, futures, and various market indices.

The notional or contractual amounts of derivatives provide only a measure of involvement in these types of transactions and represent neither the amounts subject to the various types of market risk nor the future cash requirements under these instruments. The notional or contractual amounts of derivatives used for trading purposes and included in trading inventory by type of risk follow:

(in billions)	INTEREST RATE RISK (1)(2)	CURRENCY RISK (3)	EQUITY PRICE RISK	COMMODITY PRICE RISK
MARCH 26, 1999				
Swap agreements	$1,956	$174	$25	$8
Forward contracts	77	232	1	3
Futures contracts	158	1	12	2
Options purchased	329	100	69	5
Options written	186	105	62	6
DECEMBER 25, 1998				
Swap agreements	$2,006	$170	$19	$5
Forward contracts	62	229	-	6
Futures contracts	184	2	10	3
Options purchased	254	93	71	4
Options written	192	96	58	6

(1) Certain derivatives subject to interest rate risk are also exposed to the credit spread risk of the underlying financial instrument.

(2) Forward contracts subject to interest rate risk principally represent "To Be Announced" mortgage pools that bear interest rate as well as principal prepayment risk.

(3) Included in the currency risk category are certain contracts that are also subject to interest rate risk.

The notional or contractual amounts of derivatives at March 26, 1999 and December 25, 1998 used to hedge all other exposures, primarily borrowings, follow:

(in billions)	MARCH 26, 1999	DECEMBER 25, 1998
Interest rate derivatives (1)	$ 69	$ 71
Currency derivatives (1)	22	19
Equity derivatives	5	5

(1) Includes swap contracts totaling $2 billion in notional amounts that contain embedded options hedging callable debt at March 26, 1999 and December 25, 1998.

Most of these derivatives are entered into with Merrill Lynch's derivative dealer subsidiaries, which intermediate interest rate, currency, and equity risks with third parties.

In the normal course of business, Merrill Lynch enters into underwriting commitments and commitments to extend credit. Settlement of these commitments as of March 26, 1999 would not have a material effect on the consolidated financial condition of Merrill Lynch.

Subsequent to quarter-end, Merrill Lynch extended a $3,675 loan commitment to an investment grade company in connection with a proposed acquisition transaction. Merrill Lynch intends to syndicate a significant portion of this loan commitment.

As disclosed in the 1998 Annual Report included as an exhibit to Form 10-K, Merrill Lynch has agreed to pay $400 and $17 in settlement of the Orange County action and the related Irvine Ranch Water District action, respectively. At March 26, 1999, Merrill Lynch has remaining liabilities of these amounts plus interest.

NOTE 8. REGULATORY REQUIREMENTS

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a registered broker-dealer, is subject to the net capital requirements of Rule 15c3-1 under the Securities Exchange Act of 1934. Under the alternative method permitted by this rule, the minimum required net capital, as defined, shall not be less than 2% of aggregate debit items arising from customer transactions. At March 26, 1999, MLPF&S's regulatory net capital of $3,887 was 17% of aggregate debit items, and its regulatory net capital in excess of the minimum required was $3,438.

Merrill Lynch International ("MLI"), a U.K. registered broker-dealer, is subject to the capital requirements of the Financial Services Authority ("FSA"). Financial resources, as defined, must exceed the total financial resources requirement of the FSA. At March 26, 1999, MLI's financial resources were $3,555 and exceeded the minimum requirement by $1,125.

Merrill Lynch Government Securities Inc. ("MLGSI"), a primary dealer in U.S. Government securities, is subject to the capital adequacy requirements of the Government Securities Act of 1986. This rule requires dealers to maintain liquid capital in excess of market and credit risk, as defined, by 20% (a 1.2-to-1 capital-to-risk standard). At March 26, 1999, MLGSI's liquid capital of $1,488 was 282% of its total market and credit risk, and liquid capital in excess of the minimum required was $855.

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors and Stockholders of
Merrill Lynch & Co., Inc.:

We have reviewed the accompanying condensed consolidated balance sheet of Merrill Lynch & Co., Inc. and subsidiaries ("Merrill Lynch") as of March 26, 1999, and the related condensed consolidated statements of earnings and cash flows for the three-month periods ended March 26, 1999 and March 27, 1998. These financial statements are the responsibility of Merrill Lynch's management. The unaudited interim condensed consolidated financial information for the three-month period ended March 27, 1998 gives retroactive effect to the 1998 merger of Merrill Lynch and Midland Walwyn Inc., which has been accounted for as a pooling-of-interests, as disclosed in Note 1 to the condensed consolidated financial statements.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such condensed consolidated financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Merrill Lynch as of December 25, 1998, and the related consolidated statements of earnings, changes in stockholders' equity, comprehensive income, and cash flows for the year then ended (not presented herein); and in our report dated February 22, 1999, we expressed an unqualified opinion and included an explanatory paragraph for the change in accounting method for certain internal-use software development costs to conform with Statement of Position 98-1. In our opinion, the information set forth in the accompanying condensed consolidated balance sheets as of December 25, 1998 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Deloitte & Touche LLP

New York, New York
May 7, 1999

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Merrill Lynch & Co., Inc. ("ML & Co." and, together with its subsidiaries and affiliates, "Merrill Lynch") is a holding company that, through its subsidiaries and affiliates, provides investment, financing, advisory, insurance, and related services worldwide. Merrill Lynch conducts its businesses in global financial markets that are influenced by numerous unpredictable factors including economic conditions, monetary policies, liquidity, international and regional political events, regulatory developments, the competitive environment, and investor sentiment. These conditions or events can significantly affect the volatility of financial markets. While greater volatility increases risk, it may also increase order flow in businesses such as trading and brokerage. Revenues and net earnings may vary significantly from period to period due to these unpredictable factors and the resulting market volatility.

The financial services industry continues to be affected by the intensifying competitive environment, as demonstrated by consolidation through mergers and acquisitions, as well as diminishing margins in many mature products and services. In addition, the relaxation of banks' barriers to entry into the securities industry and expansion by insurance companies into traditional brokerage products, coupled with the potential repeal of the laws separating commercial and investment banking activities in the future, have increased the number of companies competing for a similar customer base.

In addition to providing historical information, Merrill Lynch may make or publish forward-looking statements about management expectations, strategic objectives, business prospects, anticipated financial performance, and other similar matters. A variety of factors, many of which are beyond its control, affect the operations, performance, business strategy, and results of Merrill Lynch and could cause actual results and experience to differ materially from the expectations expressed in these statements. These factors include, but are not limited to, the factors listed in the previous paragraphs, as well as:

- actions and initiatives taken by both current and potential competitors,
- the impact of current and future legislation and regulation throughout the world, and
- the other risks and uncertainties detailed in the following sections.

MERRILL LYNCH UNDERTAKES NO RESPONSIBILITY TO UPDATE PUBLICLY OR REVISE ANY FORWARD-LOOKING STATEMENTS.

BUSINESS ENVIRONMENT

Global financial markets, which experienced significant volatility during the latter half of 1998, stabilized during the 1999 first quarter as market conditions generally improved. Markets continued to benefit from credit spread tightening, increased investor demand, liquidity in debt markets, and record highs on many equity indices. These conditions contributed to strong trading, commissions, and asset management revenues industrywide during the 1999 first quarter. Several emerging markets, including Japan and Korea, showed signs of improvement during the 1999 first quarter, while European markets generally continued their strong performance.

Long-term U.S. interest rates, as measured by the yield on 30-year U.S. Treasury bonds, rose during the 1999 first quarter, as favorable market conditions increased investor demand for higher-yielding securities and equities. Long-term U.S. rates, however, were lower compared to the year-ago period. European rates, following the U.S. trend, generally increased during the 1999 first quarter and were lower compared to the 1998 first quarter. In Japan, rates increased substantially in January, but gradually fell in February and March, ending the quarter down from year-end 1998 and up slightly from a year ago. International Monetary Fund support, as well as a reduction in interest rates, helped Brazilian markets recover from the devaluation of its currency in January.

Credit spreads, which represent the risk premium over the risk-free rate paid by an issuer based on the issuer's credit rating or perceived creditworthiness, tightened significantly during the 1999 first quarter relative to the 1998 fourth quarter, indicative of restored liquidity in credit markets. Credit spreads also tightened more in the 1999 first quarter compared with the year-ago period, driving trading revenues to record levels.

U.S. equity indices, which posted significant gains during 1998, continued to advance during the 1999 first quarter, due to low interest rates and renewed investor confidence. Although the Dow Jones Industrial Average rose 6.6% from year-end 1998 and 11.2% from a year ago, the majority of the advance during the 1999 first quarter resulted from increases in a small number of large capitalization stocks, as well as those in the Internet, technology, and financial services sector. In addition, both the Nasdaq and S&P 500 reached record highs during the 1999 first quarter, and were up 12.3% and 4.6% from year-end 1998 and 34.1% and 16.8% from the end of the 1998 first quarter.

Global equity markets rose 2.8% during the 1999 first quarter and 9.0% from the end of the 1998 first quarter, as measured by the Dow Jones World Index. Prospects of corporate restructuring and increased consumer spending led many Asian equity markets, including Japan, South Korea, and Hong Kong, to rebound during the 1999 first quarter. Many other emerging market indices, particularly in Brazil, produced favorable gains during the 1999 first quarter aided by a reduction in interest rates. European market indices were generally up during the 1999 first quarter, despite the euro's 8% year-to-date drop against the U.S. dollar. For the 1999 first quarter, equity prices in certain countries, when measured in local currency terms, were up more than U.S. equity prices; however, in U.S. dollar terms, only a few of these increases exceeded the U.S. advance due to the overall strengthening of the U.S. dollar versus many local currencies.

Global underwriting volume reached near-record levels during the 1999 first quarter, driven by a strong economy and renewed stability in the bond market. Total underwriting revenues were down 23%, however, from the 1998 first quarter, as equity offerings, which typically yield higher fees than debt issuances, declined industrywide.

Strategic services activities remained strong during the 1999 first quarter, reflecting a continuation of the high level of merger and acquisition activity experienced in 1998. U.S. and global announced mergers and acquisitions reached new highs during the 1999 first quarter, up 58% and 75%, respectively, from 1998 first quarter volume. For the first time since the 1996 first quarter, non-U.S. strategic services activity dominated the quarter, with Europe representing 40% of total announced merger and acquisition activity.

Due to the volatility of the financial services industry, Merrill Lynch continually evaluates its businesses across varying market conditions for profitability and alignment with long-term strategic objectives. Merrill Lynch seeks to mitigate the effects of market downturns by selectively expanding its global presence in non-U.S. markets, developing and maintaining long-term client relationships, monitoring costs and risks, and continuing to diversify revenue sources.

RESULTS OF OPERATIONS

<TABLE>
<CAPTION>

	FOR THE THREE MONTHS ENDED	INCREASE

(DECREASE)

(dollars in millions, except per share amounts)	MARCH 26, 1999	DECEMBER 25, 1998	MARCH 27, 1998	1Q99 VERSUS 4Q98	1Q99 VERSUS 1Q98
<S>	<C>	<C>	<C>	<C>	<C>
Total revenues	$8,851	$8,172	$9,388	8.3%	(5.7)%
Net revenues	5,266	4,081	4,762	29.0	10.6
Pre-tax earnings	996	519	867	91.9	14.8
Net earnings	609	359	514	69.7	18.4
Net earnings applicable to common stockholders	599	349	504	71.6	18.8
Earnings per common share					
Basic	1.65	.97	1.44	70.1	14.6
Diluted	1.44	.86	1.26	67.4	14.3
Annualized return on average common stockholders' equity	24.6%	14.8%	24.0%		
Effective tax rate	34.0	22.8	38.1		

</TABLE>

The following discussion compares the first quarters of 1999 and 1998 and, where appropriate, contrasts the 1999 first quarter and 1998 fourth quarter.

Merrill Lynch's net earnings were a record $609 million, up 18% and 70% from the $514 million and $359 million reported in the 1998 first and fourth quarters, respectively. These results also surpassed the previous quarterly record of $549 million set in the 1998 second quarter. Record revenues were achieved in commissions, principal transactions, asset management and portfolio service fees, and net interest. Overall results also benefited from continued cost management, including lower advertising and market development expense and professional fees, partially offset by higher costs primarily related to compensation and benefits and communications and technology.

Net revenues were a record, up 11% and 29% from the 1998 first and fourth quarters, respectively, to $5.3 billion in the 1999 first quarter. Non-U.S. net revenues also grew, representing 36% of total net revenues in the 1999 first quarter, up from 30% in the 1998 first quarter.

Commissions revenues are summarized as follows:

(in millions)	THREE MONTHS ENDED MARCH 26, 1999	THREE MONTHS ENDED MARCH 27, 1998	% INC.
Listed and over-the-counter	$ 882	$ 805	10%
Mutual funds	483	479	1
Other	202	179	13
Total	$1,567	$1,463	7

Commissions revenues reached record levels primarily due to higher fees from global listed and over-the-counter securities transactions. Listed securities revenues benefited from increased trading volumes on most European and U.S. stock exchanges. Higher fees from Nasdaq retail equities led to an increase in over-the-counter securities transactions.

Significant components of interest and dividend revenues and interest expense follow:

(in millions)	THREE MONTHS ENDED MARCH 26, 1999	THREE MONTHS ENDED MARCH 27, 1998
INTEREST AND DIVIDEND REVENUES		
Resale agreements and securities borrowed transactions	$1,651	$2,300
Trading assets	1,030	1,322
Margin lending	683	667
Other	601	525
Total	3,965	4,814

INTEREST EXPENSE

Repurchase agreements and securities loaned transactions	1,521	2,071
Borrowings	1,111	1,361
Trading liabilities	526	769
Other	427	425
Total	3,585	4,626
NET INTEREST AND DIVIDEND PROFIT	$ 380	$ 188

Interest and dividend revenues and expenses are a function of the level and mix of interest-earning assets and interest-bearing liabilities and the prevailing level, term structure, and volatility of interest rates. Net interest and dividend profit more than doubled from the 1998 first quarter, primarily due to changes in asset composition and lower funding costs triggered by a decline in interest rates.

Merrill Lynch hedges certain of its long- and short-term borrowings, primarily with interest rate and currency swaps, to better match the interest rate and currency characteristics of the borrowings to the assets funded by borrowing proceeds. The effect of this hedging activity, which is included in "Borrowings" above, decreased interest expense by $62 million and $14 million for the 1999 and 1998 first quarters, respectively.

The following table provides information on aggregate trading revenues, including related net interest. Interest revenue and expense amounts are based on management's assessment of the cost to finance trading positions, after consideration of the underlying liquidity of these positions.

Trading and related hedging and financing activities affect the recognition of both principal transactions revenues and net interest and dividend revenues. In assessing the profitability of its trading activities, Merrill Lynch aggregates net interest and principal transactions revenues. For financial reporting purposes, however, realized and unrealized gains and losses on trading positions, including hedges, are recorded in principal transactions revenues. The net interest carry (i.e., the spread representing interest earned less financing costs) for trading positions, including hedges, is recorded either as principal transactions revenues or net interest revenues, depending on the nature of the specific instruments. Changes in the composition of trading inventories and hedge positions can cause the recognition of revenues within these categories to fluctuate.

(in millions)	PRINCIPAL TRANSACTIONS REVENUES	NET INTEREST REVENUES	NET TRADING REVENUES
1999 FIRST QUARTER			
Equities and equity derivatives	$ 671	$ 33	$ 704
Debt derivatives	223	22	245
Government and agency obligations	200	18	218
Corporate debt and preferred stock	168	(3)	165
Mortgages and municipals	124	75	199
Foreign exchange	58	(1)	57
Total	$1,444	$144	$1,588
1998 FIRST QUARTER			
Equities and equity derivatives	$ 474	$ 1	$ 475
Debt derivatives	320	(53)	267
Government and agency obligations	82	23	105
Corporate debt and preferred stock	172	(39)	133
Mortgages and municipals	77	58	135
Foreign exchange	46	(1)	45
Total	$1,171	$(11)	$1,160

Net trading revenues were a record $1.6 billion in the 1999 first quarter, up 37% from the 1998 first quarter and up over $1 billion from the weak 1998 fourth quarter. Increases in equities and equity derivatives, government and agency obligations, corporate debt and preferred stock, mortgages and municipals, and foreign exchange revenues were partially offset by a modest decrease in debt derivatives compared with the 1998 first quarter.

Equities and equity derivatives trading revenues were $704 million, up 48% from the 1998 first quarter as a result of sharply higher revenues from global equity derivatives and consistent strength in U.S. and European equities. Global equity derivatives benefited in part from higher revenues from certain emerging market positions. U.S. equities increased primarily due to higher demand for technology securities.

Debt derivatives revenues decreased 8% to $245 million in the 1999 first quarter, resulting from declines in currency trading in Latin American and Asian debt, compared with the corresponding 1998 period. A favorable U.S. interest rate environment and increased volume in Japanese markets led to a 108% gain in government and agency obligations revenues, which were $218 million in the 1999 first quarter. Corporate debt and preferred stock revenues were up 24% to $165 million, primarily due to the tightening of credit spreads and the general strengthening in investment grade markets.

Mortgages and municipals revenues were up 47% from last year's first quarter to $199 million in the 1999 first quarter attributable to increased customer demand driven by a low interest rate environment and realized losses in the 1998 first quarter. Foreign exchange revenues increased 27% to $57 million in the 1999 first quarter due to fluctuations in the U.S. dollar versus various currencies, including the Japanese yen.

Investment banking revenues declined 24% from the 1998 first quarter to $633 million in the 1999 first quarter, primarily due to a decrease in equity underwriting revenues and slightly lower fees from strategic services activities. A summary of Merrill Lynch's investment banking revenues follows:

	THREE MONTHS ENDED		
(in millions)	MARCH 26, 1999	MARCH 27, 1998	% (Dec.)
Underwriting	$427	$616	(31)%
Strategic services	206	215	(4)
Total	$633	$831	(24)

Merrill Lynch remained the leading underwriter of total debt issuances and total debt and equity offerings during the 1999 first quarter. An industrywide decline in equity issuances, in addition to lower convertible and high-yield revenues, however, led to a 31% reduction in underwriting revenues compared with the 1998 first quarter. Merrill Lynch's underwriting market share information based on transaction value follows:

	THREE MONTHS ENDED			
	MARCH 26, 1999		MARCH 27, 1998	
	MARKET SHARE	RANK	MARKET SHARE	RANK
U.S. PROCEEDS				
Debt	15.5%	1	14.2%	1
Equity	16.8	2	13.7	2
Debt and Equity	16.0	1	14.7	1
GLOBAL PROCEEDS				
Debt	11.4	1	11.9	1
Equity	10.6	3	12.2	2
Debt and Equity	11.7	1	12.4	1

Source: Securities Data Co. ("SDC") statistics based on full credit to book manager.

Strategic services fees fell 4% to $206 million in the 1999 first quarter due to a slight decline industrywide in the number of completed merger and acquisition transactions compared with the 1998 first quarter. Deal flow remains strong, however, as evidenced by Merrill Lynch's 22.5% first quarter market share in U.S. announced transactions. Merrill Lynch's merger and acquisition market share information for the 1999 and 1998 first quarter based on transaction value follows:

<TABLE>
<CAPTION>

	THREE MONTHS ENDED	
	MARCH 26, 1999	MARCH 27, 1998

	MARKET SHARE	RANK	MARKET SHARE	RANK
COMPLETED TRANSACTIONS				
U.S.	37.1%	3	36.5%	1
Global	28.0	3	23.8	2
ANNOUNCED TRANSACTIONS				
U.S.	22.5	4	22.3	3
Global	21.7	4	23.5	1

Source: SDC statistics based on full credit to both target and acquiring companies' advisors.

Merrill Lynch's asset management and portfolio service fees are summarized below:

(in millions)	THREE MONTHS ENDED MARCH 26, 1999	THREE MONTHS ENDED MARCH 27, 1998	% INC. (DEC.)
Asset management fees	$ 526	$ 521	1%
Portfolio service fees	333	252	32
Account fees	127	116	9
Other fees	124	140	(12)
Total	$1,110	$1,029	8

</TABLE>

Total assets in client accounts or under management and assets under management increased $122 billion and $25 billion, respectively, from the end of the 1998 first quarter to $1.5 trillion and $515 billion at the end of the 1999 first quarter. The changes in these balances are noted as follows:

<TABLE>
<CAPTION>

(in billions)	MARCH 27, 1998	NET CHANGES DUE TO NEW MONEY(1)	NET CHANGES DUE TO ASSET APPRECIATION	MARCH 26, 1999
Total assets in client accounts or under management	$1,356	$68	$54	$1,478
Total assets under management	490	21	4	515

</TABLE>

(1) Includes reinvested dividends of $11 billion.

Asset management fees increased slightly from the 1998 first quarter due to growth in assets under management attributable to a net inflow of customer assets and asset appreciation. Portfolio service fees were up 32% from the corresponding 1998 period due to increased revenues from various fee-based products, including Merrill Lynch Consults (Registered Trademark), Financial Advantage (Service Mark), Asset Power (Service Mark), and Mutual Fund Advisor (Service Mark). Account fees rose due in part to record Cash Management Account fees resulting from an increase in the number of customer accounts. Other fee-based revenues were down primarily due to lower revenues from mortgage-related activities, attributable in part to the 1998 third quarter sale of a majority interest in Lender's Service, Inc., a residential real estate services provider. This decrease was partially offset by higher transfer agency fees.

Other revenues were up 66% from the 1998 first quarter to $132 million in the 1999 first quarter attributable in part to higher net realized investment gains, income from partnership investments, and consulting revenues from Howard Johnson & Co., a 1998 fourth quarter acquisition.

Merrill Lynch's non-interest expenses are summarized below.

<TABLE>
<CAPTION>

THREE MONTHS ENDED

(in millions)	MARCH 26, 1999	MARCH 27, 1998
Compensation and benefits	$2,762	$2,499
Non-interest expenses, excluding compensation and benefits:		
Communications and technology	480	392
Occupancy and related depreciation	227	201
Advertising and market development	152	177
Brokerage, clearing, and exchange fees	154	156
Professional fees	117	152
Goodwill amortization	57	55
Other	321	263
Total non-interest expenses, excluding compensation and benefits	1,508	1,396
Total non-interest expenses	$4,270	$3,895
Compensation and benefits as a percentage of net revenues	52.4%	52.5%
Compensation and benefits as a percentage of pre-tax earnings before compensation and benefits	73.5%	74.2%

In terms of its cost base, Merrill Lynch has achieved its objectives in repositioning resources consistent with market opportunities and strategic investment for future growth. Non-interest expenses were up 10% from the 1998 first quarter to $4.3 billion, as higher compensation and benefits expense and increases in technology costs more than offset cost savings in professional fees and advertising and market development. Non-interest expenses were up only 7% excluding the impact of Merrill Lynch Japan Securities ("MLJS"). Fixed and semi-fixed costs, however, were down 8%, or $186 million, from peak levels of the 1998 third quarter.

Compensation and benefits, the largest expense category, was up 11% from the 1998 first quarter to $2.8 billion, due to higher incentive and production-related compensation and increased headcount versus the year-ago period. However, non-producer salary expense and total headcount were both down slightly from the 1998 fourth quarter. The percentage of non-interest expenses, excluding compensation and benefits costs and goodwill amortization, to net revenues was 27.6% in the 1999 first quarter, the lowest in ten quarters.

Communications and technology expense was $480 million, up 22% from the 1998 first quarter because of increased systems consulting costs related in part to the Year 2000 initiative and higher technology-related depreciation. Occupancy and related depreciation advanced 13% to $227 million due to continued global expansion. MLJS accounted for nearly two-thirds of the increase.

Advertising and market development expense was down 14% to $152 million as a result of reductions in travel and entertainment and sales promotion costs. Brokerage, clearing, and exchange fees were $154 million, relatively unchanged from a year ago. Professional fees decreased 23% to $117 million, primarily due to lower legal and consulting costs. Goodwill amortization was $57 million, in line with the 1998 first quarter expense. Other expenses increased 22% to $321 million due in part to higher loss provisions related to various business and legal matters.

The effective tax rate was 34.0% in the 1999 first quarter, down from 38.1% in the 1998 first quarter, due to additional tax-advantaged financing and higher tax-exempt and non-U.S. income. The 1999 first quarter effective tax rate was virtually unchanged from the full-year 1998 rate.

BUSINESS SEGMENTS

Merrill Lynch reports the results of its four strategic business priorities within two business segments: Wealth Management and Corporate and Institutional Client. Wealth Management is comprised of Merrill Lynch's U.S. Private Client, International Private Client, and Asset Management strategic priorities, all of which provide services related to the accumulation and management of wealth. Although managed by separate individuals, these strategic priorities serve largely the same customer base, provide similar products and services, utilize comparable distribution channels to deliver those products and services, operate in a highly regulated environment, and accordingly, are managed and evaluated on an aggregate basis. The Corporate and Institutional Client Group ("CICG"), Merrill Lynch's other strategic priority, is reported as a separate business segment due to the distinct nature of the products it provides and the clients it serves. CICG's activities predominantly involve providing equity and debt trading, origination and strategic advisory services, and other capital markets services to corporate, institutional, and governmental clients throughout the world. For further information on services provided to clients within these segments, see the 1998 Annual Report included as an exhibit to Form 10-K.

The segment operating results exclude certain corporate items, which reduced net earnings for the 1999 and 1998 first quarters by $144 million and $127 million, respectively (see Note 4 to Consolidated Financial Statements - Unaudited).

WEALTH MANAGEMENT

(in millions)	THREE MONTHS ENDED MARCH 26, 1999	MARCH 27, 1998
Net revenues	$3,054	$2,805
Net earnings	316	306

Net revenues and net earnings for Wealth Management were $3.1 billion and $316 million, respectively, in the 1999 first quarter, up 9% and 3% from $2.8 billion and $306 million in the 1998 first quarter. Increased trading volumes on global exchanges and the continued growth in fee-based revenues, resulting from market appreciation and net inflows of assets, led to record revenues in brokerage, which includes commissions, and asset management and portfolio service fees.

In the U.S., total assets in client accounts or under management were $1.2 trillion at March 26, 1999, which included $309 billion in assets under management. Outside the U.S., total assets in client accounts or under management were approximately $300 billion. Non-U.S. assets under management were $206 billion at quarter end. Total assets in client accounts or under management have benefited from the successful integration of Mercury Asset Management, which introduced two new mutual funds to U.S. investors during the quarter, resulting in $810 million of new money. Merrill Lynch Canada and MLJS client assets have also steadily increased, with $34 billion in total assets at quarter end. In addition, during the quarter, Merrill Lynch advanced its on-line trading efforts by purchasing the financial technology assets of D.E. Shaw Financial Technology, a developer of Internet technology for financial institutions, which is expected to benefit the Wealth Management segment.

CICG

(in millions)	THREE MONTHS ENDED MARCH 26, 1999	MARCH 27, 1998
Net revenues	$2,278	$2,025
Net earnings	437	335

CICG net revenues were $2.3 billion in the 1999 first quarter, up 12% from the 1998 first quarter. CICG net earnings also increased, up 30% from the 1998 first quarter to $437 million due to record revenues in both debt and equity businesses. Debt trading revenues benefited from improved results in both liquidity and credit products and were up across the board from the 1998 fourth quarter as credit spreads tightened, emerging markets stabilized, and general market conditions improved. Equities and equity derivatives trading revenues also rose sharply from both the 1998 first and fourth quarters, primarily due to growth from equity derivatives and continued strength in secondary trading, particularly in the U.S. and Europe.

Merrill Lynch remained the leading underwriter of total debt and equity securities in the 1999 first quarter, with U.S. and global market shares of 16.0% and 11.7%, respectively, according to SDC. Equity issuance volume was down from the 1998 first quarter, which contributed to a decline in origination revenues. Revenues from strategic service fees were down slightly from last year's first quarter.

CAPITAL ADEQUACY AND LIQUIDITY

The primary objectives of Merrill Lynch's capital structure and funding policies are to:
1. Ensure sufficient equity capital to absorb losses,
2. Support the business strategies, and
3. Assure liquidity at all times, across market cycles, and through periods of financial stress.

These objectives and Merrill Lynch's capital structure and funding policies are discussed more fully in the 1998 Annual Report included as an exhibit to Form 10-K.

Among U.S. institutions engaged primarily in the global securities business, Merrill Lynch is one of the most highly capitalized, with $10.3 billion in common equity, $425 million in preferred stock, and $2.6 billion of preferred securities issued by subsidiaries at March 26, 1999. Preferred securities issued by subsidiaries consist primarily of Trust Originated Preferred Securities (Service Mark) ("TOPrS" (Service Mark)). Based on various analyses and criteria, management believes that Merrill Lynch's equity capital base of $13.3 billion is adequate.

Merrill Lynch's leverage ratios were as follows:

	Leverage Ratio (1)	Adjusted Leverage Ratio (2)
PERIOD-END		
March 26, 1999	23.6x	14.3x
December 25, 1998	23.5x	15.5x
AVERAGE (3)		
Quarter ended March 26, 1999	24.4x	15.4x
Year ended December 25, 1998	32.9x	19.2x

(1) Total assets to total stockholders' equity and preferred securities issued by subsidiaries.
(2) Total assets less (a) securities received as collateral, net of securities pledged as collateral, (b) securities pledged as collateral, and (c) receivables under resale agreements and securities borrowed transactions, to total stockholders' equity and preferred securities issued by subsidiaries.
(3) Computed using month-end balances.

An asset-to-equity leverage ratio does not reflect the risk profile of assets, hedging strategies, or off-balance sheet exposures. Thus, Merrill Lynch does not rely on overall leverage ratios to assess risk-based capital adequacy.

Commercial paper decreased from $16.8 billion at year-end 1998 to $9.4 billion at March 26, 1999 in order to reduce Merrill Lynch's use of short-term unsecured funding. Commercial paper represented 3% and 6% of total assets at March 26, 1999 and year-end 1998, respectively. Outstanding long-term borrowings increased to $59.9 billion at March 26, 1999 from $57.6 billion at December 25, 1998. Major components of the change in long-term borrowings during the 1999 first quarter follow:

(in billions)	
Balance at December 25, 1998	$57.6
Issuances	8.9
Maturities	(5.9)
Other, net	(.7)
Balance at March 26, 1999 (1)	$59.9

(1) At the end of the 1999 first quarter, $47.1 billion of long-term borrowings had maturity dates beyond one year.

In addition to equity capital sources, Merrill Lynch views long-term debt as a stable funding source for its core balance sheet assets. Other sources of liquidity are unsecured bank credit facilities that, at March 26, 1999, totaled $7.2 billion and were not drawn upon. Additionally, Merrill Lynch maintains access to significant uncommitted credit lines, both secured and unsecured, from a large group of banks.

The cost and availability of unsecured financing generally are dependent on credit ratings. Merrill Lynch's senior long-term debt, preferred stock, and TOPrS were rated by several recognized credit rating agencies at March 26, 1999 as follows:

<TABLE>
<CAPTION>

RATING AGENCY	SENIOR DEBT RATINGS	PREFERRED STOCK AND TOPRS RATINGS

<S> | <C> | <C>

Duff & Phelps Credit Rating Co.	AA	AA-
Fitch IBCA, Inc.	AA	AA-
Japan Rating & Investment Information, Inc.	AA	Not Rated
Moody's Investors Service, Inc.	Aa3	aa3
Standard & Poor's	AA-	A
Thomson BankWatch, Inc.	AA+	Not Rated

</TABLE>

CAPITAL PROJECTS AND EXPENDITURES

Merrill Lynch continually prepares for the future by expanding its operations and investing in new technology to improve service to clients. For more information, see the 1998 Annual Report included as an exhibit to Form 10-K.

YEAR 2000 COMPLIANCE

As the Year 2000 approaches, Merrill Lynch has undertaken initiatives to address the Year 2000 problem (the "Y2K problem"), as more fully described in the 1998 Annual Report. The failure of Merrill Lynch's technology systems relating to a Y2K problem would likely have a material adverse effect on the company's business, results of operations, and financial condition. This effect could include disruption of normal business transactions, such as the settlement, execution, processing, and recording of trades in securities, commodities, currencies, and other assets. The Y2K problem could also increase Merrill Lynch's exposure to risk and legal liability and its need for liquidity.

The renovation phase of Merrill Lynch's Year 2000 efforts, as described in the 1998 Annual Report, was approximately 99.7% completed as of April 16, 1999, and production testing was approximately 99.1% completed as of that date. In March and April 1999, Merrill Lynch continued its participation in U.S. industrywide testing sponsored by the Securities Industry Association. These tests involved an expanded number of firms, transactions, and conditions compared with those previously conducted.

In light of the interdependency of the parties in or serving the financial markets, there can be no assurance that all Y2K problems will be identified and remedied on a timely basis or that all remediation will be successful. Disruption or suspension of activity in the world's financial markets is also possible. In some non-U.S. markets in which Merrill Lynch does business, the level of awareness and remediation efforts relating to the Y2K problem are thought to be less advanced than in the U.S. Management is unable at this point to ascertain whether all significant third parties will successfully address the Y2K problem. Merrill Lynch will continue to monitor third parties' Year 2000 readiness to determine if additional or alternative measures are necessary. The failure of exchanges, clearing organizations, vendors, service providers, clients and counterparties, regulators, or others to resolve their own processing issues in a timely manner could have a material adverse effect on Merrill Lynch's business, results of operations, and financial condition.

As of March 26, 1999, the total estimated expenditures for the Year 2000 compliance initiative are approximately $520 million. This estimate includes $104 million of occupancy, communications, and other related overhead expenditures as Merrill Lynch is applying a fully costed pricing methodology for this project. Of the total estimated expenditures, approximately $157 million remains to be spent, primarily on continued testing, contingency planning, and risk management. There can be no assurance that the costs associated with remediation efforts will not exceed those currently anticipated by Merrill Lynch, or that the possible failure of such remediation efforts will not have a material adverse effect on Merrill Lynch's business, results of operations, or financial condition.

AVERAGE ASSETS AND LIABILITIES

Merrill Lynch monitors changes in its balance sheet using average daily balances that are determined on a settlement date basis and reported for management information purposes. Financial statement balances are recorded on a trade date basis as required under generally accepted accounting principles. The following discussion compares changes in settlement date average daily balances.

For the first three months of 1999, average total assets were $322 billion, down 6% from $342 billion for the 1998 fourth quarter. Average total liabilities decreased 6% to $309 billion from $329 billion for the 1998 fourth quarter. The major components in the decline in average total assets and liabilities for the first three months of 1999 are summarized as follows:

<TABLE>
<CAPTION>

(in millions)	INCREASE (DECREASE)	CHANGE
AVERAGE ASSETS		
Trading assets	$(12,140)	(10)%
Securities pledged as collateral	(3,648)	(27)
Receivables under resale agreements and securities borrowed transactions	(2,010)	(2)
AVERAGE LIABILITIES		
Payables under repurchase agreements and securities loaned transactions	$(14,755)	(14)%
Commercial paper and other short-term borrowings	(9,183)	(27)
Obligation to return securities received as collateral	(2,708)	(13)
Trading liabilities	4,360	7
Long-term borrowings	3,175	6

</TABLE>

Merrill Lynch strategically reduced its balance sheet levels during the 1998 fourth quarter. Average balances in the 1999 first quarter were lower in comparison due to continued strategic reductions in debt trading assets and related funding, primarily repurchase agreements. Lower matched-book activity also contributed to the decrease in payables under repurchase agreements and securities loaned transactions, and resulted in a decline in securities pledged as collateral, receivables under resale agreements and securities borrowed transactions, and obligation to return securities received as collateral. The decrease in commercial paper and other short-term borrowings resulted from a shift towards longer-term borrowings and reductions in non-trading assets. Trading liabilities rose in connection with an increase in equity trading activities.

NON-INVESTMENT GRADE HOLDINGS

Non-investment grade holdings, which include transactions with highly leveraged counterparties involve risks related to the creditworthiness of the issuers or counterparties, and the liquidity of the market for such investments. Merrill Lynch recognizes these risks and, whenever possible, employs strategies to mitigate exposures. The specific components and overall level of non-investment grade positions may vary significantly from period to period as a result of inventory turnover, investment sales, and asset redeployment.

In the normal course of business, Merrill Lynch underwrites, trades, and holds non-investment grade cash instruments in connection with its investment banking, market-making, and derivative structuring activities. Non-investment grade trading inventories have increased in recent years to satisfy growing client demand for higher-yielding investments, including emerging market and other non-U.S. securities. During the second half of 1998 and the first quarter of 1999, however, these exposures were strategically reduced as a result of market volatility. Non-investment grade holdings have been defined as debt and preferred equity securities rated as BB+ or lower, or equivalent ratings by recognized credit rating agencies, sovereign debt in emerging markets, amounts due under derivative contracts from non-investment grade counterparties, and other instruments that, in the opinion of management, are non-investment grade.

Derivatives may also expose Merrill Lynch to credit risk related to the underlying security where a derivative contract can either synthesize ownership of the underlying security (e.g., long total return swap) or potentially force ownership of the underlying security (e.g., short put option). In addition, derivatives may subject Merrill Lynch to credit spread or issuer default risk, in that changes in credit spreads or in the credit quality of the underlying securities may adversely affect the derivatives' fair values. Merrill Lynch engages in various hedging strategies to reduce its exposure associated with non-investment grade positions, such as purchasing an option to sell the related security or entering into other offsetting derivative contracts.

In addition to engaging in business involving non-investment grade positions, Merrill Lynch provides financing and advisory services to, and invests in, companies entering into leveraged transactions, which may include leveraged buyouts, recapitalizations, and mergers and acquisitions. Merrill Lynch provides extensions of credit to leveraged companies in the form of senior and subordinated debt, as well as bridge financing on a select basis. In addition, Merrill Lynch syndicates loans for non-investment grade companies or in connection with highly leveraged transactions and may retain a residual portion of these loans.

Merrill Lynch holds direct equity investments in leveraged companies and interests in partnerships that invest in leveraged transactions. Merrill Lynch has also committed to participate in limited partnerships that invest in leveraged transactions. Future commitments to participate in limited partnerships and other direct equity investments will be made on a select basis.

TRADING EXPOSURES

The following table summarizes Merrill Lynch's non-investment grade trading exposures:

(in millions)	March 26, 1999	December 25, 1998
Trading assets		
Cash instruments	$ 6,687	$ 8,024
Derivatives	4,020	4,675
Trading liabilities		
Cash instruments	(994)	(920)
Collateral on derivative assets	(1,324)	(2,192)
Net trading asset exposure	8,389	9,587
Derivatives notionals with credit exposure (1)	1,777	1,631
Derivatives notionals that hedge credit exposure(1)	(3,956)	(4,663)
Net exposure	$ 6,210	$ 6,555

(1) Represents amount subject to strike or reference price.

Included in the preceding table are debt and equity securities and bank loans of companies in various stages of bankruptcy proceedings or in default. At March 26, 1999, the carrying value of such debt and equity securities totaled $91 million, of which 66% resulted from Merrill Lynch's market-making activities in such securities. This compared with $74 million at December 25, 1998, of which 84% related to market-making activities. Also included are distressed bank loans totaling $247 million and $156 million at March 26, 1999 and December 25, 1998, respectively.

NON-TRADING EXPOSURES

The following table summarizes Merrill Lynch's non-investment grade non-trading exposures:

(in millions)	March 26, 1999	December 25, 1998
Marketable investment securities	$ 16	$ 39
Investments of insurance subsidiaries	129	148
Loans (net of allowance for loan losses):		
Bridge loans	62	66
Other loans (1)	848	1,058
Other investments:		
Partnership interests (2)	1,095	852
Other equity investments (3)	365	459

(1) Represented outstanding loans to 102 and 80 companies at March 26, 1999 and December 25, 1998, respectively.
(2) Included is $449 and $279 million in investments at March 26, 1999 and December 25, 1998, respectively, related to deferred compensation plans, for which the default risk of the investments generally rests with the participating employees.
(3) Invested in 92 and 89 enterprises at March 26, 1999 and December 25, 1998, respectively.

The following table summarizes Merrill Lynch's commitments with exposure to non-investment grade counterparties:

(in millions)	March 26, 1999	December 25, 1998
Additional commitments to invest in partnerships	$ 221	$ 227

Unutilized revolving lines of credit and other lending commitments	896	1,678

At March 26, 1999, the largest industry exposure was to the financial services sector, which accounted for 36% of total non-investment grade positions.

<TABLE>
<CAPTION>

STATISTICAL DATA

<S>	1ST QTR. 1998 <C>	2ND QTR. 1998 <C>	3RD QTR. 1998 <C>	4TH QTR. 1998 <C>	1ST QTR. 1999 <C>
CLIENT ACCOUNTS (in billions):					
U.S. Client Assets	$ 1,086	$ 1,110	$ 1,065	$ 1,164	$ 1,186
Non-U.S. Client Assets	270	270	254	278	292
Total Assets in Client Accounts or Under Management	$ 1,356	$ 1,380	$ 1,319	$ 1,442	$ 1,478
ASSETS UNDER MANAGEMENT:	$ 490	$ 491	$ 467	$ 501	$ 515
Retail	263	263	255	258	267
Institutional	227	228	212	243	248
Equity	271	266	238	262	267
Fixed-Income/Other	219	225	229	239	248
U.S	285	292	279	298	309
Non-U.S.	205	199	188	203	206
FEE-BASED PROGRAM ASSETS(a)	$ 54	$ 58	$ 55	$ 64	$ 70
UNDERWRITING:					
Global Debt and Equity:					
Volume (in billions)	$ 102	$ 120	$ 82	$ 88	$ 112
Market Share	12.4%	14.6%	13.6%	13.9%	11.7%
U.S. Debt and Equity:					
Volume (in billions)	$ 88	$ 107	$ 69	$ 74	$ 97
Market Share	14.7%	16.9%	15.0%	15.5%	16.0%
FULL-TIME EMPLOYEES:					
U.S.	46,100	47,100	47,700	46,700	46,300
Non-U.S.	14,200	16,500	17,900	17,100	16,800
Total	60,300	63,600	65,600	63,800	63,100
Financial Consultants and Other Investment Professionals	16,600	17,600	18,100	18,200	18,200
INCOME STATEMENT:					
Net Earnings (Loss) (in millions)	$ 514	$ 549	$ (163)	$ 359	$ 609
Economic Profit	238	244	(485)	43	275
Annualized Return on Average Common Stockholders' Equity	24.0%	23.6%	(7.3)%	14.8%	24.6%
Earnings (Loss) per Common Share:					
Basic	$ 1.44	$ 1.52	$ (.48)	$ .97	$ 1.65
Diluted	1.26	1.31	(.48)	.86	1.44
BALANCE SHEET (in millions):					
Total Assets	$358,896	$370,571	$353,391	$299,804	$314,620
Total Stockholders' Equity	9,209	9,897	9,779	10,132	10,692
Book Value Per Common Share	24.88	26.62	26.12	26.89	28.05
SHARE INFORMATION (in thousands):					
Weighted Average Shares Outstanding:					
Basic	349,495	355,289	357,620	359,864	364,039
Diluted	400,249	411,385	357,620	404,872	415,662
Common Shares Outstanding	353,680	356,280	358,492	361,209	366,168

</TABLE>

(a) Includes Merrill Lynch Consults (Registered Trademark), Mutual Fund Advisor (Service Mark), Asset Power (Service Mark), Global Funds Advisor (Service Mark), and Financial Advantage (Service Mark).

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The following events have occurred since the filing of the 1998 Form 10-K. The court in Miller v. Peters, et al. has issued an order discontinuing the action with the parties' consent.

Item 4. Submission of Matters to a Vote of Security Holders

On April 14, 1999, ML & Co. held its Annual Meeting of Stockholders, at which 86.4% of the shares of Common Stock, par value $1.33 1/3 per share (the "Common Stock"), outstanding and eligible to vote, either in person or by proxy, were represented, constituting a quorum. At this Annual Meeting, the following matters were voted upon: (i) the election of five directors to the Board of Directors to hold office for a term of three years; and (ii) a stockholder proposal concerning cumulative voting in the election of directors. Proxies for the Annual Meeting of Stockholders were solicited by the Board of Directors pursuant to Regulation 14A of the Securities Exchange Act of 1934.

The stockholders elected all five nominees to three-year terms as members of the Board of Directors as set forth in ML & Co.'s Proxy Statement. There was no solicitation in opposition to such nominees. The votes cast for or withheld from the election of directors were as follows: Jill K. Conway received 310,681,518 votes in favor and 4,074,955 votes were withheld; George B. Harvey received 311,469,460 votes in favor and 3,287,013 votes were withheld; David H. Komansky received 310,999,540 votes in favor and 3,756,933 votes were withheld; John L. Steffens received 310,806,489 votes in favor and 3,949,984 votes were withheld; and William L. Weiss received 311,414,878 votes in favor and 3,341,595 votes were withheld.

The stockholders did not approve the stockholder proposal concerning cumulative voting in election of directors. The votes cast for and against, as well as the number of abstentions and broker non-votes for this proposal were as follows: 74,975,991 votes in favor, 158,342,060 votes against, 3,660,552 shares abstained, and 77,777,870 shares represented broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

(4) Instruments defining the rights of security holders, including indentures:

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, ML & Co. hereby undertakes to furnish to the Securities and Exchange Commission, upon request, copies of the instruments defining the rights of holders of long-term debt securities of ML & Co. that authorize an amount of securities constituting 10% or less of the total assets of ML & Co. and its subsidiaries on a consolidated basis.

(11) Statement re: computation of per share earnings

(12) Statement re: computation of ratios

(15) Letter re: unaudited interim financial information

(27) Financial Data Schedule

(b) Reports on Form 8-K

The following Current Reports on Form 8-K were filed by ML & Co. with the Securities and Exchange Commission during the quarterly period covered by this Report:

(i) Current Report dated December 28, 1998 for the purpose of filing the form of ML & Co.'s Nikkei 225 Market Index Target-Term Securities (Registered Trademark) due September 21, 2005.

(ii) Current Report dated January 19, 1999 for the purpose of filing ML & Co.'s Preliminary Unaudited Earnings Summary for the three months and the year ended December 25, 1998.

(iii) Current Report dated February 17, 1999 for the purpose of filing the form of ML & Co.'s 6% Notes due February 17, 2009.

(iv) Current Report dated February 18, 1999 for the purpose of filing the form of ML & Co.'s Energy Select Sector SPDRs* Fund Market Index Target-Term Securities (Registered Trademark) due February 21, 2006.

(v) Current Report dated February 22, 1999 for the purpose of filing ML & Co.'s Preliminary Unaudited Consolidated Balance Sheet as of December 25, 1998.

(vi) Current Report dated February 23, 1999 for the purpose of filing the form of ML & Co.'s 5 1/4% Stock Return Income Debt Securities (Service Mark) due August 23, 2000.

(vii) Current Report dated March 26, 1999 for the purpose of filing the form of ML & Co.'s S&P 500 Market Index Target-Term Securities (Registered Trademark) due March 27, 2006.

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* SPDRs is a registered trademark of The McGraw-Hill Companies, Inc. and has been licensed for use in connection with the listing and trading of Select Sector SPDRs on the American Stock Exchange.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MERRILL LYNCH & CO., INC.

(Registrant)

Date: May 7, 1999 By: /s/ E. Stanley O'Neal

E. Stanley O'Neal
Executive Vice President and
Chief Financial Officer

INDEX TO EXHIBITS

Exhibits

11 Statement re: computation of per share earnings

12 Statement re: computation of ratios

15 Letter re: unaudited interim financial information

27 Financial Data Schedule

EXHIBIT 11

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
COMPUTATION OF PER COMMON SHARE EARNINGS
(in millions, except per share amounts)

	FOR THE THREE MONTHS ENDED	
	March 26, 1999	March 27, (a) 1998
Net earnings	$ 609	$ 514
Preferred stock dividends	(10)	(10)
Net earnings applicable to common stockholders	$ 599	$ 504
Weighted-average shares outstanding (basic shares)	364.0	349.5
Effect of dilutive instruments:		
Employee stock options	29.8	29.3
FCCAAP shares	16.6	16.8
Restricted units	5.2	4.5
ESPP shares	.1	.1
Dilutive potential common shares	51.7	50.7
Total weighted-average diluted shares	415.7	400.2
BASIC EARNINGS PER SHARE	$1.65	$1.44
DILUTED EARNINGS PER SHARE	$1.44	$1.26

(a) Amounts have been restated from that originally reported on Form 10-Q to reflect the 1998 merger with Midland Walwyn Inc., accounted for as a pooling-of-interests.

Basic and diluted earnings per share are based on actual numbers before rounding.

EXHIBIT 12

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND
COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS
(dollars in million)

<TABLE>
<CAPTION>

	FOR THE THREE MONTHS ENDED	
	March 26, 1999	March 27,(a) 1998
<S>	<C>	<C>
Pre-tax earnings from continuing operations	$ 996	$ 867
Add: Fixed charges (excluding capitalized interest and preferred security dividend requirements of subsidiaries)	3,636	4,671
Pre-tax earnings before fixed charges	4,632	5,538
Fixed charges:		
Interest	3,576	4,621
Other(b)	110	73
Total fixed charges	3,686	4,694
Preferred stock dividend requirements	14	15
Total combined fixed charges and preferred stock dividends	$3,700	$4,709
RATIO OF EARNINGS TO FIXED CHARGES	1.26	1.18
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS	1.25	1.18

</TABLE>

(a) Amounts have been restated from that originally reported on Form 10-Q to reflect the 1998 merger with Midland Walwyn Inc., accounted for as a pooling-of-interests.

(b) Other fixed charges consist of the interest factor in rentals, amortization of debt issuance costs, preferred security dividend requirements of subsidiaries, and capitalized interest.

Exhibit 15

May 7, 1999

Merrill Lynch & Co., Inc.
World Financial Center
North Tower
New York, NY 10281

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim condensed consolidated financial information of Merrill Lynch & Co., Inc. and subsidiaries ("Merrill Lynch") as of March 26, 1999 and for the three-month periods ended March 26, 1999 and March 27, 1998 as indicated in our report dated May 7, 1999; because we did not perform an audit, we expressed no opinion on that information. The unaudited interim condensed consolidated financial information for the three-month period ended March 27, 1998 gives retroactive effect to the 1998 merger of Merrill Lynch and Midland Walwyn Inc., which has been accounted for as a pooling-of-interests, as disclosed in Note 1 to the condensed consolidated financial statements.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended March 26, 1999, is incorporated by reference in the following documents, as amended:

Filed on Form S-8:

Registration Statement No. 33-41942 (1986 Employee Stock Purchase Plan)

Registration Statement No. 33-17908 (Incentive Equity Purchase Plan)

Registration Statement No. 33-33336 (Long-Term Incentive Compensation Plan)

Registration Statement No. 33-51831 (Long-Term Incentive Compensation Plan)

Registration Statement No. 33-51829 (401(k) Savings and Investment Plan)

Registration Statement No. 33-54154 (Non-Employee Directors' Equity Plan)

Registration Statement No. 33-54572 (401(k) Savings and Investment Plan (Puerto Rico))

Registration Statement No. 33-56427 (Amended and Restated 1994 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 33-55155 (1995 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 33-60989 (1996 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-09779 (1997 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-32209 (1998 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-00863 (401(k) Savings & Investment Plan)

Registration Statement No. 333-13367 (Restricted Stock Plan for Former Employees of Hotchkis and Wiley)

Registration Statement No. 333-15009 (1997 KECALP Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-17099 (Deferred Unit and Stock Unit Plan for Non-Employee Directors)

Registration Statement No. 333-18915 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-33125 (Employee Stock Purchase Plan for Employees of Merrill Lynch Partnerships)

Registration Statement No. 333-41425 (401(k) Savings & Investment Plan)

Registration Statement No. 333-56291 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-60211 (1999 Deferred Compensation Plan for a

Select Group of Eligible Employees)

Registration Statement No. 333-62311 (Replacement Options; Midland Walwyn Inc.)

Filed on Form S-3:

Debt Securities:

Registration Statement No. 33-54218

Registration Statement No. 2-78338

Registration Statement No. 2-89519

Registration Statement No. 2-83477

Registration Statement No. 33-03602

Registration Statement No. 33-17965

Registration Statement No. 33-27512

Registration Statement No. 33-35456

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Registration Statement No. 33-52647

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Registration Statement No. 33-65135

Registration Statement No. 333-13649

Registration Statement No. 333-25255

Registration Statement No. 333-28537

Registration Statement No. 333-44173

Registration Statement No. 333-59997

Registration Statement No. 333-68747

Medium Term Notes:

Registration Statement No. 2-96315

Registration Statement No. 33-03079

Registration Statement No. 33-05125

Registration Statement No. 33-09910

Registration Statement No. 33-16165

Registration Statement No. 33-19820

Registration Statement No. 33-23605

Registration Statement No. 33-27549

Registration Statement No. 33-38879

Other Securities:

Registration Statement No. 33-33335 (Common Stock)

Registration Statement No. 33-45777 (Common Stock)

Registration Statement No. 33-55363 (Preferred Stock)

Registration Statement No. 333-02275 (Long-Term Incentive Compensation Plan)

Registration Statement No. 333-16603 (TOPrS)

Registration Statement No. 333-20137 (TOPrS)

Registration Statement No. 333-24889 (Long-Term Incentive Compensation Plan, and Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-36651 (Hotchkis and Wiley Resale)

Registration Statement No. 333-42859 (TOPrS)

Registration Statement No. 333-59263 (Exchangeable Shares of Merrill Lynch & Co., Canada Ltd. re: Midland Walwyn Inc.)

Registration Statement No. 333-67903 (Howard Johnson & Company Resale)

We are also aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP

New York, New York
May 7, 1999

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<F1>Includes $8,556 of securities received as collateral, net of securities
pledged as collateral, and $13,750 of securities pledged as collateral,
recorded pursuant to the provisions of Statement of Financial Accounting
Standards No. 127 ("SFAS NO. 127").

<F2>Includes $22,306 of obligation to return securities received as collateral,
recorded pursuant to the provisions of SFAS NO. 127.

<F3>Includes $2,627 of Preferred Securities issued by Subsidiaries.
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