Subject to Completion
Preliminary Prospectus Supplement dated December 4, 2003

PROSPECTUS SUPPLEMENT

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-109802

(To prospectus dated November 26, 2003)

1,000,000 Units

Merrill Lynch & Co., Inc.

Long Short Notes[SM]

Linked to the Dow Jones Industrial Average [SM]/Nasdaq-100®
Long Short Index (the "Composite Index") due March , 2005
(the "Notes")

$10 original public offering price per Unit

The Notes:

- Senior unsecured debt securities of Merrill Lynch & Co., Inc.
- No payments prior to maturity.
- Linked to the value of the Composite Index, an index comprised of a leveraged long position in the Dow Jones Industrial Average[SM] (index symbol "INDU") and a short position in the Nasdaq-100 Index® (index symbol "NDX"), as described herein. The Composite Index will not take into account the dividends paid, if any, on any of the stocks included in either the Dow Jones Industrial Average or the Nasdaq-100 Index.
- The Composite Index will consist of a 150% leveraged long position in the Dow Jones Industrial Average and a 50% short position in the Nasdaq-100 Index. As a result of these positions, increases in the value of the Dow Jones Industrial Average will increase the value of the Composite Index while decreases in the value of the Dow Jones Industrial Average will decrease the value of the Composite Index. Conversely, increases in the value of the Nasdaq-100 Index will decrease the value of the Composite Index and decreases in the value of the Nasdaq-100 Index will increase the value of the Composite Index.
- Expected closing date: January , 2004.

Payment at maturity:

- At maturity, you will receive a cash amount based upon the percentage change in the value of the Composite Index, which reflects the percentage change in the value of a long position in the Dow Jones Industrial Average and a short position in the Nasdaq-100 Index. If the value of the Composite Index declines over the term of the Notes, you will receive less, and possibly significantly less, than the original public offering price of $10 per Note.
- If the closing value of the Composite Index falls below a specified level, the Notes will be redeemed prior to their stated maturity date. If redeemed, we will pay you a cash amount based on the percentage decrease in the value of the Composite Index as described in this prospectus supplement.

Investing in the Notes involves risks that are described in the "Risk Factors" section beginning on page S-8 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Total
Public offering price(1)	$10.00	$10,000,000
Underwriting fee	$	$
Proceeds, before expenses, to Merrill Lynch & Co., Inc.	$	$

(1) The public offering price and the underwriting discount for any single transaction to purchase units or more will be $ per unit and $ per unit, respectively.

Merrill Lynch & Co.

The date of this prospectus supplement is January , 2004.

"Dow Jones", "Dow Jones Industrial Average [SM]" and "DJIA[SM]" are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by Merrill Lynch, Pierce, Fenner & Smith Incorporated. The Notes are not sponsored, endorsed, sold or promoted by Dow Jones.

Nasdaq-100®, Nasdaq-100 Index ®, and Nasdaq ® are trade or service marks of The Nasdaq Stock Market, Inc. and are licensed for use by Merrill Lynch & Co., Inc.

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Prospectus

SUMMARY INFORMATION—Q&A

This summary includes questions and answers that highlight selected information from this prospectus supplement and the accompanying prospectus to help you understand the Long Short Notes[SM] Linked to the Dow Jones Industrial Average/Nasdaq-100 Long Short Index due March , 2005 (the "**Notes**"). You should carefully read this prospectus supplement and the accompanying prospectus to fully understand the terms of the Notes, the Dow Jones Industrial Average/Nasdaq-100 Long Short Index and the tax and other considerations that are important to you in making a decision about whether to invest in the Notes. You should carefully review the "Risk Factors" section, which highlights certain risks associated with an investment in the Notes, to determine whether an investment in the Notes is appropriate for you.

References in this prospectus supplement to "ML&Co.", "we", "us" and "our" are to Merrill Lynch & Co., Inc., and references to "MLPF&S" are to Merrill Lynch, Pierce, Fenner & Smith Incorporated.

What are the Notes?

The Notes will be a series of senior debt securities issued by ML&Co. and will not be secured by collateral. The Notes will rank equally with all of our other unsecured and unsubordinated debt. Unless redeemed prior to the stated maturity date under the circumstances described herein, the Notes will mature on March , 2005.

A Unit will represent a single Note with an original public offering price of $10.00 (a "**Unit**"). You may transfer the Notes only in whole Units. You will not have the right to receive physical certificates evidencing your ownership except under limited circumstances. Instead, we will issue the Notes in the form of a global certificate, which will be held by The Depository Trust Company, also known as DTC, or its nominee. Direct and indirect participants in DTC will record your ownership of the Notes. You should refer to the section entitled "Description of the Debt Securities—Depositary" in the accompanying prospectus.

What will I receive upon maturity of the Notes?

At maturity, you will receive a cash payment on the Notes equal to the "Redemption Amount".

The "**Redemption Amount**" per Unit will equal:

$$\$10.00 \times \left(\frac{\text{Ending Value}}{\text{Starting Value}} \right)$$

but will not be less than zero.

The "**Starting Value**" will equal 100.00, the value of the Dow Jones Industrial Average/Nasdaq-100 Long Short Index (the "**Composite Index**") as set on the date the Notes are priced for initial sale to the public (the "**Pricing Date**").

For purposes of determining the Redemption Amount, the "**Ending Value**" means the average, arithmetic mean, of the values of the Composite Index at the close of the market on five business days shortly before the maturity of the Notes. We may calculate the Ending Value by reference to fewer than five or even a single day's closing value if, during the period shortly before the maturity date of the Notes, there is a disruption in the publication of one or both of the Index Components, as described herein.

For more specific information about the Redemption Amount, please see the section entitled "Description of the Notes" in this prospectus supplement.

How does the early redemption feature work?

If on any date the closing value of the Composite Index is equal to or less than 50.00, the Notes will be redeemed on the fourth Business Day following such date (the "**Early Redemption Date**"). If this redemption event is triggered, we will pay you on the Early Redemption Date a cash payment per Note equal to the Redemption Amount, as described above; provided, however, for purposes of calculating the Redemption Amount the Ending Value shall be equal to the closing value of the Composite Index on the business day immediately succeeding the date the closing value of the Composite Index was less than or equal to 50.00. In no event will the amount payable on the Early Redemption Date be less than zero.

Examples

Here are six examples of Redemption Amount calculations, assuming:

Hypothetical Starting Value of DJIA: 9,873.42[1]
Hypothetical Starting Value of Nasdaq-100 Index: 1,419.77[1]

(1) The hypothetical values of the Index Components are the closing values of each Index Component as observed on December 3, 2003. These values were used to calculate the hypothetical Multipliers used for the calculation of the hypothetical Ending Values in these examples.

Example 1—At maturity, the values of the DJIA and Nasdaq-100 Index have increased and the value of Composite Index is above the Starting Value:

Hypothetical closing value of DJIA: 10,367.09
Hypothetical closing value of Nasdaq-100 Index: 1,490.76
Hypothetical Ending Value of Composite Index: 105[2]

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{105}{100}\right) = \$\,10.50$$

Total payment at maturity (per Unit) = $10.50

(2) The hypothetical Ending Value for the Composite Index in these examples equals the sum of the products of the closing value of each Index Component and the relevant hypothetical Multiplier, as described in the section entitled "The Composite Index" in this prospectus supplement.

Example 2—At maturity, the values of DJIA and Nasdaq-100 Index have increased but the value of Composite Index is below the Starting Value:

Hypothetical closing value of DJIA: 10,367.09
Hypothetical closing value of Nasdaq-100 Index: 1,661.13
Hypothetical Ending Value of Composite Index: 99

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{99}{100}\right) = \$9.90$$

Total payment at maturity (per Unit) = $9.90

Example 3—At maturity, the value of DJIA has increased, the value of the Nasdaq-100 Index has decreased and the value of Composite Index is above the Starting Value:

Hypothetical closing value of DJIA: 10,367.09
Hypothetical closing value of Nasdaq-100 Index: 1,348.78
Hypothetical Ending Value of Composite Index: 110

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{110}{100}\right) = \$\,11.00$$

Total payment at maturity (per Unit) = $11.00

Example 4—At maturity, the value of DJIA has decreased, the value of the Nasdaq-100 Index has increased and the value of Composite Index is below the Starting Value:

Hypothetical closing value of DJIA: 9,379.75
Hypothetical closing value of Nasdaq-100 Index: 1,490.76
Hypothetical Ending Value of Composite Index: 90

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{90}{100}\right) = \$9.00$$

Total payment at maturity (per Unit) = $9.00

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Example 5—At maturity, the values of DJIA and Nasdaq-100 Index have decreased and the value of Composite Index is above the Starting Value:

Hypothetical closing value of DJIA: 9,379.75
Hypothetical closing value of Nasdaq-100 Index: 1,178.41
Hypothetical Ending Value of Composite Index: 101

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{101}{100} \right) = \$\ 10.10$$

Total payment at maturity (per Unit) = $10.10

Example 6—At maturity, the values of DJIA and Nasdaq-100 Index have decreased and the value of Composite Index is below the Starting Value:

Hypothetical closing value of DJIA: 9,379.75
Hypothetical closing value of Nasdaq-100 Index: 1,348.78
Hypothetical Ending Value of Composite Index: 95

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{95}{100} \right) = \$9.50$$

Total payment at maturity (per Unit) = $9.50

Example 7—At maturity, the values of DJIA and Nasdaq-100 Index have decreased and the value of Composite Index is above the Starting Value:

Hypothetical closing value of DJIA: 9,873.42
Hypothetical closing value of Nasdaq-100 Index: 2,555.59
Hypothetical Ending Value of Composite Index: 60

$$\text{Redemption Amount (per Unit)} = \$10 \times \left(\frac{60}{100} \right) = \$6.00$$

Total payment at maturity (per Unit) = $6.00

You should be aware that if on any date the closing value of the Composite Index is equal to or less than 50, the Notes will be redeemed early as described in the section entitled "Description of the Notes—Redemption Event" in this prospectus supplement. In such an event, your investment in the Notes will likely result in a loss, and possibly a significant loss, to you. See "Risk Factors—Your investment may results in a loss" in this prospectus supplement.

Who determines the value of the Composite Index and what does the Composite Index reflect?

MLPF&S (the "**calculation agent**") will determine the value of the Composite Index as described in the section entitled "The Composite Index" in this prospectus supplement. The Composite Index is designed to allow investors to participate in the percentage change in the value of a leveraged long position in the Dow Jones Industrial Average (the "DJIA") and a short position in the Nasdaq-100 Index, the two indices composing the Composite Index (each an "**Index Component**"). The Index Components are described in the sections entitled "The Composite Index—Dow Jones Industrial Average" and "—Nasdaq-100 Index" in this prospectus supplement. Each Index Component has been assigned a weighting and such weighting will reflect the relative contribution that Index Component will make to the value of the Composite

Index. A positive weighting indicates that the Composite Index is long a particular Index Component. A negative weighting indicates that the Composite Index is short a particular Index Component. The weightings are disclosed in the section entitled "The Composite Index" in this prospectus supplement. The value of the Composite Index will be initially set to 100 on the Pricing Date.

A fixed factor (the "**Multiplier**") will be determined for each Index Component. The Multiplier applicable to the DJIA will equal a value which, when multiplied by the closing value of such Index Component on the Pricing Date, will equal 150. The Multiplier applicable to the Nasdaq-100 Index will equal a value which, when multiplied by the closing value of such Index Component on the Pricing Date, will equal –50. The Multiplier can be used to calculate the value of the Composite Index on any given day by summing the products of each Index Component and its appropriate Multiplier, as described in this prospectus supplement. The Multipliers for each Index Component are listed in the section entitled "The Composite Index" in this prospectus supplement.

The Notes are debt obligations of ML&Co. and an investment in the Notes does not entitle you to any ownership interest in the stocks included in the Index Components (collectively, the "**Component Stocks**").

How has the Composite Index performed historically?

The Composite Index will not exist until the Pricing Date. We have, however, included a table showing monthly historical values of the Composite Index for each month from January 1997 to November 2003 based upon the hypothetical Multiplier of each Index Component calculated as of December 3, 2003 and historical values of each Index Component. This table is included in the section entitled "The Composite Index" in this prospectus supplement.

We have provided this hypothetical historical information to help you evaluate the behavior of the Composite Index in various economic environments; however, this past performance is not indicative of how the Composite Index will perform in the future.

Will I receive interest payments on the Notes?

You will not receive any interest payments on the Notes, but you will receive the Redemption Amount at maturity. We have designed the Notes for investors who are willing to forego periodic interest payments on the Notes (and the repayment of a fixed principal amount) in exchange for the Redemption Amount at maturity or early redemption.

What about taxes?

The U.S. federal income tax consequences of an investment in the Notes are complex and uncertain. By purchasing a Note, you and ML&Co. hereby agree, in the absence of an administrative or judicial ruling to the contrary, to characterize a Note for all tax purposes as a pre-paid cash-settled forward contract linked to the value of the Composite Index. Under this characterization of the Notes, you should be required to recognize gain or loss to the extent that you receive cash on the maturity date or upon a sale, redemption or other disposition of a Note prior to the maturity date. You should review the discussion under the section entitled "United States Federal Income Taxation" in this prospectus supplement.

Will the Notes be listed on a stock exchange?

The Notes will not be listed on any securities exchange and we do not expect a trading market for the Notes to develop, which may affect the price you receive for your Notes upon any sale prior to maturity or redemption. You should review the section entitled "Risk Factors—A trading market for the Notes is not expected to develop" in this prospectus supplement.

What is the role of MLPF&S?

Our subsidiary, MLPF&S, is the underwriter for the offering and sale of the Notes. After the initial offering, MLPF&S intends to buy and sell Notes to create a secondary market for holders of the Notes, and may stabilize or maintain the market price of the Notes during their initial distribution. However, MLPF&S will not be obligated to engage in any of these market activities or continue them once it has started.

MLPF&S will also be our agent for purposes of calculating, among other things, the Ending Value and Redemption Amount. Under certain circumstances, these duties could result in a conflict of interest between the status of MLPF&S as our subsidiary and its responsibilities as calculation agent.

What is ML&Co.?

Merrill Lynch & Co., Inc. is a holding company with various subsidiaries and affiliated companies that provide investment, financing, insurance and related services on a global basis.

For information about ML&Co., see the section entitled “Merrill Lynch & Co., Inc.” in theaccompanying prospectus. You should also read other documents we have filed with the SEC, which you can find by referring to the section entitled “Where You Can Find More Information” in this prospectus supplement.

Are there any risks associated with my investment?

Yes, an investment in the Notes is subject to risks. Please refer to the section entitled “Risk Factors” in this prospectus supplement.

RISK FACTORS

Your investment in the Notes will involve risks. An investment in the Notes involves credit risks which are identical to those related to investments in any other debt obligations of ML&Co., and additional risks which are similar to investing in each Component Stock. You should carefully consider the following discussion of risks before deciding whether an investment in the Notes is suitable for you.

Your investment may result in a loss

We will not repay you a fixed amount of principal on the Notes at maturity. The payment on the Notes will depend on the change in the value of the Composite Index. Because the value of the Composite Index is subject to market fluctuations, the amount of cash you receive may be more or less than the original public offering price of your Notes and may be zero. If the applicable Ending Value at maturity is less than the Starting Value, then the amount you receive will be less than the original public offering price of each Note, in which case your investment in the Notes will result in a loss, and possibly a significant loss, to you.

In addition, if on any date the closing value of the Composite Index is equal to or less than 50.00, the Notes will be redeemed early and you will receive, for each Note then owned by you, a cash amount based on the percentage decrease in the value of the Composite Index. This amount will be less than the original public offering price of the Notes and, if you purchased your Notes in the initial distribution, will result in a loss of part, if not all, of your initial investment in the Notes.

The value of the Composite Index is expected to affect the trading value of the Notes

The market value of the Notes will depend substantially on the amount by which the Composite Index exceeds or does not exceed the Starting Value. The value of the Notes is related to the Composite Index, and consequently, a sale of the Notes may result in a loss. Additionally, because the trading value and perhaps final return on your Notes is dependent on factors in addition to the Composite Index, such as our credit rating, an increase in the value of the Composite Index will not reduce the other investment risks related to the Notes.

Your yield may be lower than the yield on other debt securities of comparable maturity

The amount we pay you at maturity or upon early redemption may be less than the return you could earn on other investments. Your yield may be less than the yield you would earn if you bought other senior non-callable debt securities of ML&Co. with the same stated maturity date. Your investment may not reflect the full opportunity cost to you when you take into account factors that affect the time value of money.

Your return will not reflect the return of owning the Component Stocks

The return on your Notes will not reflect the return you would realize if you actually owned the stocks represented by the long position of an Index Component and sold short the stocks represented by the short position of an Index Component included in the Composite Index and received the dividends or the leveraged dividends paid on those stocks because the value of the Composite Index is calculated by reference to the prices of the stocks included in the Index Components without taking into consideration the value of dividends paid on those stocks. The trading value of the Notes and final return on the Notes may also differ from the results of the Composite Index for the reasons discussed below under “Many factors affect the trading value of the Notes; these factors interrelate in complex ways and the effect of any one factor may offset or magnify the effect of another factor”.

The long and short positions of the Index Components will have a substantial effect on the value of the Composite Index, and in turn, the value of the Notes

The Composite Index will consist of a 150% leveraged long position in the DJIA and a 50% short position in the Nasdaq-100 Index. The leveraged position offers the potential for significant increases in the level of the Composite Index due to increases in the value of the DJIA, but also entails a high degree of risk, including the risk of substantial decreases in the value of the Composite Index if there is a decrease in the value of the DJIA. In addition, as a result of the short position, any increases in the value of the Nasdaq-100 Index will adversely affect the value of the Composite Index, and may offset any gains in the value of the Composite Index related to increases in the value of the DJIA.

A trading market for the Notes is not expected to develop

The Notes will not be listed on any securities exchange and we do not expect a trading market for the Notes to develop. Although our affiliate MLPF&S has indicated that it expects to bid for Notes offered for sale to it by Note holders, it is not required to do so and may cease making such bids at any time. In addition, while we describe in this prospectus supplement how you can calculate the value of the Composite Index from publicly available information, we will not publish the value of the Composite Index during the term of the Notes and this may limit the trading market for the Notes. The limited trading market for your Notes may affect the price that you receive for your Notes if you do not wish to hold your investment until maturity.

Many factors affect the trading value of the Notes; these factors interrelate in complex ways and the effect of any one factor may offset or magnify the effect of another factor

The trading value of the Notes will be affected by factors that interrelate in complex ways. It is important for you to understand that the effect of one factor may offset the increase in the trading value of the Notes caused by another factor and that the effect of one factor may exacerbate the decrease in the trading value of the Notes caused by another factor. The following paragraphs describe the expected impact on the market value of the Notes given a change in a specific factor, assuming all other conditions remain constant.

The value of the Composite Index is expected to affect the trading value of the Notes. The value of the Notes will depend substantially on the amount by which the Composite Index exceeds or does not exceed the Starting Value. The value of the Notes is related to the Composite Index, and consequently, a sale of the Notes may result in a loss. Additionally, because the trading value and perhaps final return on your Notes is dependent on factors in addition to the Composite Index, such as our credit rating, an increase in the value of the Composite Index will not reduce the other investment risks related to the Notes.

Changes in dividend yields of the Component Stocks are expected to affect the trading value of the Notes. In general, if dividend yields on the Component Stocks in which there is a long position increase, we expect that the value of the Notes will decrease and, conversely, if dividend yields on the Component Stocks in which there is a long position decrease, we expect that the value of the Notes will increase. In general, if dividend yields on the Component Stocks in which there is a short position decrease, we expect that the value of the Notes will decrease and, conversely, if dividend yields on the Component Stocks in which there is a short position increase, we expect that the value of the Notes will increase.

Changes in our credit ratings may affect the trading value of the Notes. Our credit ratings are an assessment of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings may affect the trading value of the Notes. However, because your return on your Notes is dependent upon factors in addition to our ability to pay our obligations under the Notes, such as the percentage increase, if any, in the value of the Composite Index at maturity, an improvement in our credit ratings will not reduce the other investment risks related to the Notes.

Amounts payable on the Notes may be limited by state law

New York State law governs the 1983 Indenture under which the Notes will be issued. New York has usury laws that limit the amount of interest that can be charged and paid on loans, which includes debt securities like the Notes. Under present New York law, the maximum rate of interest is 25% per annum on a simple interest basis. This limit may not apply to debt securities in which $2,500,000 or more has been invested.

While we believe that New York law would be given effect by a state or Federal court sitting outside of New York, many other states also have laws that regulate the amount of interest that may be charged to and paid by a borrower. We will promise, for the benefit of the Note holders, to the extent permitted by law, not to voluntarily claim the benefits of any laws concerning usurious rates of interest.

Purchases and sales by us and our affiliates may affect your return

We and our affiliates may from time to time buy or sell the Component Stocks or futures or options contracts on the Component Stocks or the Index Components for our own accounts for business reasons and expect to enter into such transactions in connection with hedging our obligations under the Notes. These transactions could affect the price of the Component Stocks and, in turn, the value of the Index Components and the Composite Index, in a manner that would be adverse to your investment in the Notes. Any purchases by us, our affiliates or others on our behalf on or before the Pricing Date may temporarily increase the prices of the Component Stocks. Temporary increases in the market prices of the Component Stocks may also occur as a result of the purchasing activities of other market participants. Consequently, the prices of the Component Stocks and the Index Components may decline subsequent to the Pricing Date reducing the value of the Composite Index and therefore the market value of the Notes.

Potential conflicts

Our subsidiary MLPF&S is our agent for the purposes of calculating the Ending Value and Redemption Amount. Under certain circumstances, MLPF&S' role as our subsidiary and its responsibilities as calculation agent for the Notes could give rise to conflicts of interest. These conflicts could occur, for instance, in connection with its determination as to whether the value of the Composite Index can be calculated on a particular trading day, or in connection with judgments that it would be required to make in the event of a discontinuance of an Index Component. See the sections entitled "Description of the Notes—Adjustments to the Index Components; Market Disruption Events" and "—Discontinuance of an Index Component" in this prospectus supplement. MLPF&S is required to carry out its duties as calculation agent in good faith and using its reasonable judgment. However, you should be aware that because we control MLPF&S, potential conflicts of interest could arise.

We have entered into an arrangement with one of our subsidiaries to hedge the market risks associated with our obligation to pay amounts due at maturity on the Notes. This subsidiary expects to make a profit in connection with this arrangement. We did not seek competitive bids for this arrangement from unaffiliated parties.

Any prospective purchaser of the Notes should undertake an independent investigation of the Index Components as in its judgment is appropriate to make an informed decision regarding an investment in the Notes. The composition of the Composite Index does not reflect any investment or sell recommendations of ML&Co. or its affiliates.

Uncertain tax consequences

You should consider the tax consequences of investing in the Notes, aspects of which are uncertain. See the section entitled "United States Federal Income Taxation" in this prospectus supplement.

DESCRIPTION OF THE NOTES

ML&Co. will issue the Notes as a series of senior debt securities under the 1983 Indenture, which is more fully described in the accompanying prospectus. The Notes will mature on March , 2005.

While at maturity a beneficial owner of a Note will receive an amount equal to the Redemption Amount, there will be no other payment of interest, periodic or otherwise. See the section entitled "—Payment at Maturity" in this prospectus supplement.

The Notes are not subject to redemption by ML&Co. at our option before the stated maturity date except as described below under the section entitled "Redemption Event". If an Event of Default occurs with respect to the Notes, beneficial owners of the Notes may accelerate the maturity of the Notes, as described under "—Events of Default and Acceleration" in this prospectus supplement and "Description of Debt Securities—Events of Default" in the accompanying prospectus.

ML&Co. will issue the Notes in denominations of whole Units each with an original public offering price of $10 per Unit. You may transfer the Notes only in whole Units. You will not have the right to receive physical certificates evidencing your ownership except under limited circumstances. Instead, we will issue the Notes in the form of a global certificate, which will be held by The Depository Trust Company, also known as DTC, or its nominee. Direct and indirect participants in DTC will record your ownership of the Notes. You should refer to the section entitled "Description of the Debt Securities—Depositary" in the accompanying prospectus.

The Notes will not have the benefit of any sinking fund.

Payment at Maturity

For each Note, the holder will be entitled to receive the Redemption Amount, as provided below.

Determination of the Redemption Amount

The "**Redemption Amount**" per Unit will be determined by the calculation agent and will equal:

$$\$10.00 \times \left(\frac{\text{Ending Value}}{\text{Starting Value}} \right)$$

but will not be less than zero.

The "**Starting Value**" will be set to 100.00 on the Pricing Date.

For the purpose of determining the Redemption Amount, the "**Ending Value**" will be determined by the calculation agent and will equal the average, arithmetic mean, of the closing values of the Composite Index determined on each of the first five Calculation Days during the Calculation Period. If there are fewer than five Calculation Days during the Calculation Period, then the Ending Value will equal the average, arithmetic mean, of the closing values of the Composite Index on those Calculation Days. If there is only one Calculation Day during the Calculation Period, then the Ending Value will equal the closing value of the Composite Index on that Calculation Day. If no Calculation Days occur during the Calculation Period, then the Ending Value will equal the closing value of the Composite Index determined on the last scheduled Index Business Day in the Calculation Period, regardless of the occurrence of a Market Disruption Event on that day.

The "**Calculation Period**" means the period from and including the seventh scheduled Index Business Day prior to the maturity date to and including the second scheduled Index Business Day prior to the maturity date.

A "**Calculation Day**" means any Index Business Day during the Calculation Period on which a Market Disruption Event has not occurred.

An "**Index Business Day**" means a day on which the New York Stock Exchange, the Nasdaq National Market and the AMEX are open for trading and each of the Index Components or any successor index is calculated and published.

All determinations made by the calculation agent shall be at the sole discretion of the calculation agent and, absent manifest error, shall be conclusive for all purposes and binding on ML&Co. and the holders and beneficial owners of the Notes.

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Hypothetical Returns

The following table illustrates, for a range of hypothetical average closing values of the Composite Index:

- the percentage change from the Starting Value to the hypothetical average closing value,
- the total amount payable at maturity for each Unit of the Notes,
- the total rate of return to beneficial owners of the Notes,
- the pretax annualized rate of return to beneficial owners of the Notes, and
- the pretax annualized rate of return of an investment in the applicable long and short positions in the Component Stocks, which includes an assumed aggregate dividend yield of 2.12% per annum for the stocks underlying the Index Component in which there is a long position and 0.20% per annum for stocks underlying the Index Component for which there is a short position, as more fully described below.

Hypothetical average closing value during the calculation period	Percentage change from the Starting Value to the average closing value	Total amount payable at maturity per Unit of the Notes	Total rate of return on the Notes	Pretax annualized rate of return on the Notes (1)	Pretax annualized rate of return of stocks included in the Composite Index (1)(2)
60.00	-40%	$6.00	-40.00%	-39.15%	-31.88%
70.00	-30%	$7.00	-30.00%	-28.22%	-23.20%
80.00	-20%	$8.00	-20.00%	-18.15%	-14.49%
90.00	-10%	$9.00	-10.00%	-8.79%	-5.72%
100.00(3)	0%	$10.00	0.00%	0.00%	3.10%
110.00	10%	$11.00	10.00%	8.30%	12.00%
120.00	20%	$12.00	20.00%	16.17%	20.97%
130.00	30%	$13.00	30.00%	23.67%	30.01%
140.00	40%	$14.00	40.00%	30.85%	39.14%
150.00	50%	$15.00	50.00%	37.75%	48.35%
160.00	60%	$16.00	60.00%	44.38%	57.65%
170.00	70%	$17.00	70.00%	50.78%	67.03%
180.00	80%	$18.00	80.00%	56.97%	76.51%
190.00	90%	$19.00	90.00%	62.96%	86.07%
200.00	100%	$20.00	100.00%	68.78%	95.73%
210.00	110%	$21.00	110.00%	74.43%	105.48%
220.00	120%	$22.00	120.00%	79.92%	115.32%

(1) The annualized rates of return specified in the preceding table are calculated on a semiannual bond equivalent basis.
(2) This rate of return assumes:

(a) a percentage change in the aggregate price of the long stock positions and the short stock positions which results in a aggregate percentage change that equals the percentage change in the Composite Index from the Starting Value to the relevant hypothetical average closing value;

(b) a constant dividend yield of 2.12% per annum for the stocks in the DJIA and 0.20% for the stocks in the Nasdaq-100 Index, paid quarterly from the date of initial delivery of the Notes, applied to the value of the Index Components (dividends paid on stocks included in the Nasdaq-100 Index will decrease this rate of return while dividends paid on stocks included in the DJIA will increase this rate of return) at the end of each quarter assuming this value increases or decreases linearly from the value of such Index Component used to set the Starting Value to 100.00 to the percentage charge required to arrive at the applicable hypothetical average closing value;

(c) no transaction fees or expenses or margin charges; and

(d) an investment term from December 4, 2003 to February 4, 2005.

(3) This is the Starting Value which will be set on the Pricing Date.

The above figures are for purposes of illustration only. The actual Redemption Amount, received by you, if any, and the resulting total and pretax annualized rate of return will depend on the actual Ending Value determined by the calculation agent as described in this prospectus supplement.

Redemption Event

If on any date the closing value of the Composite Index is equal to or less than 50.00, the Notes will be redeemed on the fourth Business Day following such date (the **"Early Redemption Date"**). If this redemption event is triggered, we will pay you on the Early Redemption Date a cash payment per Note equal to the Redemption Amount, as described above under "—Payment at Maturity"; provided, however, the Ending Value shall be equal to the closing value of the Composite Index on the Index Business Day immediately succeeding the date the closing value of the Composite Index was less than or equal to 50.00, provided that if a Market Disruption Event occurs on such date, the Ending Value will be determined on the immediately succeeding Index Business Day, regardless of the occurrence of a Market Disruption Event on such date. In no event will the amount payable on the Early Redemption Date be less than zero.

Adjustments to the Index Components; Market Disruption Events

If at any time either Dow Jones & Company, Inc. ("Dow Jones") or The Nasdaq Stock Market, Inc. ("Nasdaq") (each a "Component Publisher") changes its method of calculating the Dow Jones Industrial Average or the Nasdaq-100 Index, or the value of each Index Component changes, in any material respect, or if an Index Component is in any other way modified so that the Index Component does not, in the opinion of the calculation agent, fairly represent the value of the Index Component had those changes or modifications not been made, then, from and after that time, the calculation agent shall, at the close of business in New York, New York, on each date that the closing value of the Composite Index is to be calculated, make those adjustments as, in the good faith judgment of the calculation agent, may be necessary in order to arrive at a calculation of a value of a stock index comparable to each Index Component as if those changes or modifications had not been made, and calculate the closing value with reference to the Index Component, as so adjusted. Accordingly, if the method of calculating the Index Component is modified so that the value of the Index Component is a fraction or a multiple of what it would have been if it had not been modified, e.g., due to a split, then the calculation agent shall adjust the Index Component in order to arrive at a value of the Index Component as if it had not been modified, e.g., as if a split had not occurred.

"**Market Disruption Event**" means either of the following events as determined by the calculation agent:

(A) the suspension of or material limitation on trading for more than two hours of trading, or during the one-half hour period preceding the close of trading, on the applicable exchange, in 20% or more of the stocks which then comprise an Index Component or any successor index; or

(B) the suspension of or material limitation on trading, in each case, for more than two hours of trading, or during the one-half hour period preceding the close of trading, on the applicable exchange, whether by reason of movements in price otherwise exceeding levels permitted by the relevant exchange or otherwise, in option contracts or futures contracts related to an Index Component, or any successor index, which are traded on any major U.S. exchange.

For the purpose of the above definition:

(1) a limitation on the hours in a trading day and/or number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange, and

(2) for the purpose of clause (A) above, any limitations on trading during significant market fluctuations under NYSE Rule 80A, or any applicable rule or regulation enacted or promulgated by the NYSE or any other self regulatory organization or the SEC of similar scope as determined by the calculation agent, will be considered "material".

As a result of terrorist attacks, the financial markets were closed from September 11, 2001 through September 14, 2001 and values of the Index Components are not available for such dates. Such market closures would have constituted Market Disruption Events.

Discontinuance of the Composite Index

If either Component Publisher discontinues publication of its respective Index Component and the Component Publisher or another entity publishes a successor or substitute index that the calculation agent determines, in its sole discretion, to be comparable to its respective Index Component (a "successor index"), then, upon the calculation agent's notification of any determination to the trustee and ML&Co., the calculation agent will substitute the successor index as calculated by the Component Publisher or any other entity for the Index Component and calculate the closing value as described above under "—Payment at Maturity". Upon any selection by the calculation agent of a successor index, ML&Co. shall cause notice to be given to holders of the Notes.

In the event that an Component Publisher discontinues publication of an Index Component and:

- the calculation agent does not select a successor index, or
- the successor index is no longer published on any of the Calculation Days,

the calculation agent will compute a substitute value for the Index Component in accordance with the procedures last used to calculate the Index Component before any discontinuance. If a successor index is selected or the calculation agent calculates a value as a substitute for the Index Component as described below, the successor index or value will be used as a substitute for the Index Component for all purposes, including for purposes of determining whether a Market Disruption Event exists.

If a Component Publisher discontinues publication of an Index Component before the period during which the Redemption Amount is to be determined and the calculation agent determines that no successor index is available at that time, then on each Business Day until the earlier to occur of:

- the determination of the Ending Value, or
- a determination by the calculation agent that a successor index is available,

the calculation agent will determine the value that would be used in computing the Redemption Amount as described in the preceding paragraph as if that day were a Calculation Day. The calculation agent will cause notice of each value to be published not less often than once each month in *The Wall Street Journal* (the "WSJ") or another newspaper of general circulation, and arrange for information with respect to these values to be made available by telephone.

A "**Business Day**" is any day on which the NYSE, the Nasdaq National Market and the AMEX are open for trading.

Notwithstanding these alternative arrangements, discontinuance of the publication of an Index Component may adversely affect trading in the Notes.

Events of Default and Acceleration

In case an Event of Default with respect to any Notes has occurred and is continuing, the amount payable to a beneficial owner of a Note upon any acceleration permitted by the Notes, with respect to each Unit, will be equal to the Redemption Amount, if any, calculated as though the date of early repayment were the stated maturity date of the Notes. See the section entitled "—Payment at Maturity" in this prospectus supplement. If a bankruptcy proceeding is commenced in respect of ML&Co., the claim of the beneficial owner of a Note may be limited, under Section 502(b)(2) of Title 11 of the United States Code, to the original public offering price of the Note plus an additional amount of contingent interest calculated as though the date of the commencement of the proceeding was the maturity date of the Notes.

In case of default in payment of the Notes, whether at their stated maturity, Early Redemption Date or acceleration, from and after that date the Notes will bear interest, payable upon demand of their beneficial owners, at the rate of   % per year to the extent that payment of any interest is legally enforceable on the unpaid amount due and payable on that date in accordance with the terms of the Notes to the date payment of that amount has been made or duly provided for.

THE COMPOSITE INDEX

Composite Index

The Composite Index is designed to allow investors to participate in the percentage change in the value of a leveraged long position in the Dow Jones Industrial Average and a short position in the Nasdaq-100 Index, the two indices composing the Composite Index (each an "**Index Component**"), over the term of the Notes. Each of the Index Components are described, respectively, in the sections entitled "—Dow Jones Industrial Average" and "—Nasdaq-100 Index" below. Each Index Component has been assigned a weighting and such weighting reflects the relative contribution that Index Component will make to the value of the Composite Index. A positive weighting indicates that the Composite Index is long a particular Index Component. A negative weighting indicates that the Composite Index is short a particular Index Component. The weightings for each Index Component are disclosed below.

A fixed factor (the "**Multiplier**") will be determined for each Index Component. The Multiplier applicable to the DJIA will equal a value which, when multiplied by the closing value of such Index Component on the Pricing Date, will equal 150. The Multiplier applicable to the Nasdaq-100 Index will equal a value which, when multiplied by the closing value of such Index Component on the Pricing Date, will equal –50. The hypothetical Multipliers for each Index Component, based on the value of each Index Component on the hypothetical Pricing Date are listed below. Each Multiplier will remain constant unless adjusted as described above. The actual Multipliers will be set on the Pricing Date and disclosed to you in the final prospectus supplement delivered with the sale of the Note.

The calculation agent will determine the value of the Composite Index. On any Business Day, the value of the Composite Index equals the sum of the products of the closing value for each of the Index Components and the applicable Multiplier.

The value of the Composite Index will vary based on the appreciation or depreciation of each Index Component and on whether there is a long or short position in that Index Component. For the Index Component in which there is a long position, any appreciation in that Index Component will result in an increase in the value of the Composite Index. Conversely, any depreciation in that Index Component in which there is a long position will result in a decrease in the value of the Composite Index. For the Index Component in which there is a short position, any depreciation in that Index Component will result in an increase in the value of the Composite Index. Conversely, any appreciation in that Index Component in which there is a short position will result in a decrease in the value of the Composite Index. If December 3, 2003 were the Pricing Date, for each Index Component, the weighting, initial closing value, Multiplier and initial Composite Index Value for each Index Component would be as follows:

Index Component	Weighting	Closing Value (1)	Hypothetical Multiplier (2)	Composite Index
Dow Jones Industrial Average	150%	9,873.42	0.0151923	150
Nasdaq-100 Index	–50%[3]	1,419.77	–0.0352170	–50
			Starting Value:	100

(1) This is the closing value of the Index Component observed on December 3, 2003. The actual levels used to determine the actual Multipliers will be determined on the Pricing Date and disclosed to you in the prospectus supplement delivered in connection with the sale of the Notes.
(2) The Multiplier equals weighting & 100/closing value.
(3) This figure represents a short position in the Index Component.

Hypothetical Historical Data on the Composite Index

The Composite Index will not exist until the Pricing Date. We have, however, included a table showing monthly hypothetical historical values of the Composite Index for each month (the "Hypothetical Historical Month-End Closing Level") from January 1997 to November 2003 based upon a hypothetical Multiplier for each

Index Component, calculated as if December 3, 2003 were the Pricing Date, and the historical values of Index Components. The historical values of the Index Components used to calculate this hypothetical historical data can be found in the sections "—The Dow Jones Industrial Average" and "—Nasdaq-100 Index" below. All Hypothetical Historical Month-End Closing Levels presented in the following table were calculated by the calculation agent.

The Hypothetical Historical Month-End Closing Levels have been calculated hypothetically on the same basis that the Composite Index will be calculated. The Hypothetical Historical Month-End Closing Level was set to 100 on December 3, 2003 and the hypothetical Multipliers determined on such date are used to provide an illustration of past movements of the Hypothetical Historical Month-End Closing Levels only. The value of each hypothetical Multiplier is dependent on the closing value of each Index Component observed on the hypothetical Pricing Date. Because the hypothetical Multipliers observed on December 3, 2003 could be significantly different than the actual Multipliers observed on the Pricing Date, the Hypothetical Historical Month-End Closing Levels shown below could also vary considerably once the actual Multipliers are used to calculate these values. The actual Multipliers and the corresponding Hypothetical Historical Month-End Closing Levels will be disclosed in the final prospectus supplement delivered in connection with the sales of the Notes. You should understand we have provided this historical information to help you evaluate the behavior of the Composite Index in various economic environments. These Hypothetical Historical Month-End Closing Levels are not necessarily indicative of the future performance of the Composite Index or what the value of the Notes may be. Any historical upward or downward trend in the level of the Composite Index during any period set forth below is not any indication that the Composite Index is more or less likely to increase or decrease at any time during the term of the Notes.

	1997	1998	1999	2000	2001	2002	2003
January	71.05	82.40	67.27	40.49	74.09	96.12	87.74
February	74.54	87.78	73.59	3.60	92.24	105.67	84.32
March	71.95	90.70	74.49	11.05	94.68	106.90	85.54
April	75.68	93.74	88.67	30.19	97.76	106.13	89.88
May	77.61	93.23	86.83	42.79	102.39	108.23	92.27
June	82.85	88.90	85.79	26.18	95.10	103.40	94.19
July	85.93	86.45	81.90	32.74	100.57	98.85	95.31
August	77.97	74.38	80.11	26.78	99.40	98.43	95.81
September	82.07	71.76	72.24	36.07	93.27	86.02	95.00
October	77.15	81.21	70.13	51.08	89.81	92.72	99.02
November	81.86	83.63	60.78	69.95	93.46	95.85	98.46
December	85.25	74.83	44.09	81.41	96.71	92.06	

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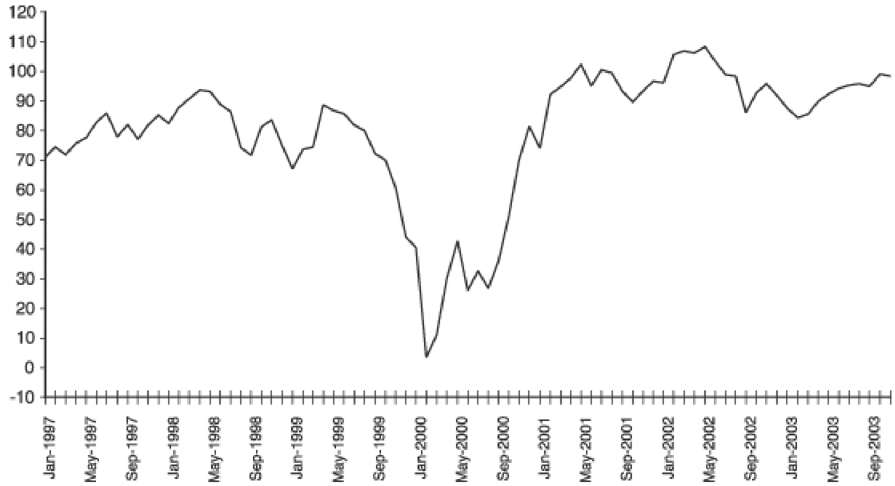
The following graph sets forth the hypothetical historical performance of the Composite Index presented in the table above. Past movements of the Composite Index are not necessarily indicative of the future Composite Index values.



The Dow Jones Industrial Average

Unless otherwise stated, all information herein on the Index is derived from Dow Jones or other publicly available sources. This information reflects the policies of Dow Jones as stated in the publicly available sources and the policies are subject to change by Dow Jones. Dow Jones is under no obligation to continue to publish the DJIA and may discontinue publication of the DJIA at any time.

The DJIA is a price-weighted index, i.e., the weight of a component stock in the DJIA is based on its price per share rather than the total market capitalization of the issuer of the component stock, comprised of 30 common stocks chosen by the editors of the *Wall Street Journal* ("WSJ") as representative of the broad market of U.S. industry. The corporations represented in the Index tend to be leaders within their respective industries and their stocks are typically widely held by individuals and institutional investors. Changes in the composition of the DJIA are made entirely by the editors of the WSJ without consultation with the corporations represented in the DJIA, any stock exchange, any official agency or ML&Co. Changes to the common stocks included in the DJIA tend to be made infrequently. Historically, most substitutions have been the result of mergers, but from time to time, changes may be made to achieve what the editors of the WSJ deem to be a more accurate representation of the broad market of U.S. industry. In choosing a new corporation for the DJIA, the editors of the WSJ look for leading industrial companies with a successful history of growth and wide interest among investors. The component stocks of the DJIA may be changed at any time for any reason. Dow Jones, publisher of the WSJ, is not affiliated with ML&Co. and has not participated in any way in the creation of the Notes.

The DJIA initially consisted of 12 common stocks and was first published in the WSJ in 1896. The DJIA was increased to include 20 common stocks in 1916 and to 30 common stocks in 1928. The number of common stocks in the DJIA has remained at 30 since 1928, and, in an effort to maintain continuity, the constituent corporations represented in the DJIA have been changed on a relatively infrequent basis.

The value of the DJIA is the sum of the primary exchange prices of each of the 30 common stocks included in the DJIA, divided by a divisor that is designed to provide a meaningful continuity in the value of the DJIA. Because the DJIA is price-weighted, stock splits or changes in the component stocks could result in distortions in the DJIA value. In order to prevent these distortions related to extrinsic factors, the divisor is changed in accordance with a mathematical formula that reflects adjusted proportions within the DJIA. The current divisor of the DJIA is published daily in the WSJ and other publications. In addition, other statistics based on the DJIA may be found in a variety of publicly available sources.

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The following table presents the listing symbol, industry group, price per share, total number of shares outstanding and market capitalization for each of the Component Stocks in the DJIA based on publicly available information as of December 3, 2003.

Issuer of Component Stock(1)	Symbol	Industry	Price Per Share(2)	Total Shares Outstanding(2)	Market Capitalization(2)
Alcoa Inc.	AA	Basic Resources	$34.47	844,819,000	$ 29,120,910,930
American Express Company	AXP	Financial Services	$51.46	2,039,260,000	$ 104,940,319,600
AT&T Corp	T	Telecommunications	$45.99	1,305,000,000	$ 60,016,950,000
The Boeing Company	BA	Industrial Goods & Services	$20.22	783,038,000	$ 15,833,028,360
Caterpillar Inc.	CAT	Industrial Goods & Services	$38.52	799,661,000	$ 30,802,941,720
Citigroup Inc.	C	Financial Services	$75.48	344,255,000	$ 25,984,367,400
The Coca-Cola Company	KO	Food & Beverage	$46.95	5,140,682,000	$ 241,355,019,900
E.I. du Pont de Nemours and Company	DD	Chemicals	$47.40	2,470,980,000	$ 117,124,452,000
Eastman Kodak Company	EK	Cyclical Goods & Services	$43.16	993,941,000	$ 42,898,493,560
Exxon Mobil Corporation	XOM	Energy	$23.76	285,933,000	$ 6,793,768,080
General Electric Company	GE	Industrial Goods & Services	$36.54	6,700,000,000	$ 244,818,000,000
General Motors Corporation	GM	Automobiles	$29.52	9,969,894,000	$ 294,311,270,880
Hewlett-Packard Company	HPQ	Technology	$45.54	560,448,000	$ 25,522,801,920
The Home Depot, Inc.	HD	Retail	$22.41	3,046,000,000	$ 68,260,860,000
Honeywell International Inc.	HON	Industrial Goods & Services	$35.53	2,293,000,000	$ 81,470,290,000
Intel Corporation	INTC	Technology	$29.64	854,493,000	$ 25,327,172,520
International Business Machines Corp.	IBM	Technology	$33.30	6,575,000,000	$ 218,947,500,000
International Paper Co.	IP	Basic Resources	$90.30	1,722,367,000	$ 155,529,740,100
J.P. Morgan Chase & Co.	JPM	Banks	$39.30	479,100,000	$ 18,828,630,000
Johnson & Johnson	JNJ	Healthcare	$35.82	1,998,706,000	$ 71,593,648,920
McDonald’s Corporation	MCD	Cyclical Goods & Services	$49.16	2,968,295,000	$ 145,921,382,200
Merck & Co., Inc.	MRK	Healthcare	$26.46	1,268,199,000	$ 33,556,545,540
Microsoft Corporation	MSFT	Technology	$43.63	2,244,983,000	$ 97,948,608,290
3M Company	MMM	Industrial Goods & Services	$25.62	10,771,000,000	$ 275,953,020,000
Philip Morris Companies Inc.	MO	Noncyclical Goods & Services	$80.99	780,392,000	$ 63,203,948,080
The Procter & Gamble Company	PG	Noncyclical Goods & Services	$96.81	1,297,200,000	$ 125,581,932,000
SBC Communications Inc.	SBC	Telecommunications	$23.15	3,317,641,000	$ 76,803,389,150
United Technologies Corporation	UTX	Industrial Goods & Services	$87.27	469,620,000	$ 40,983,737,400
Wal-Mart Stores, Inc.	WMT	Retail	$52.69	4,395,000,000	$ 231,572,550,000
The Walt Disney Company	DIS	Media	$21.85	2,013,300,000	$ 43,990,605,000
			Total Market Capitalization:		$ 3,014,995,883,550
			Average Market Capitalization:		$ 100,499,862,785

(1) The inclusion of a Component Stock in the portfolio should not be considered a recommendation to buy or sell that stock, and neither ML&Co. nor any of its affiliates make any representation to any purchaser of the Notes as to the performance of the portfolio or any Component Stock. Beneficial owners of the Notes will not have any right to the component stocks or any dividends paid on the Component Stocks.

(2) Information obtained from Bloomberg Financial Markets.

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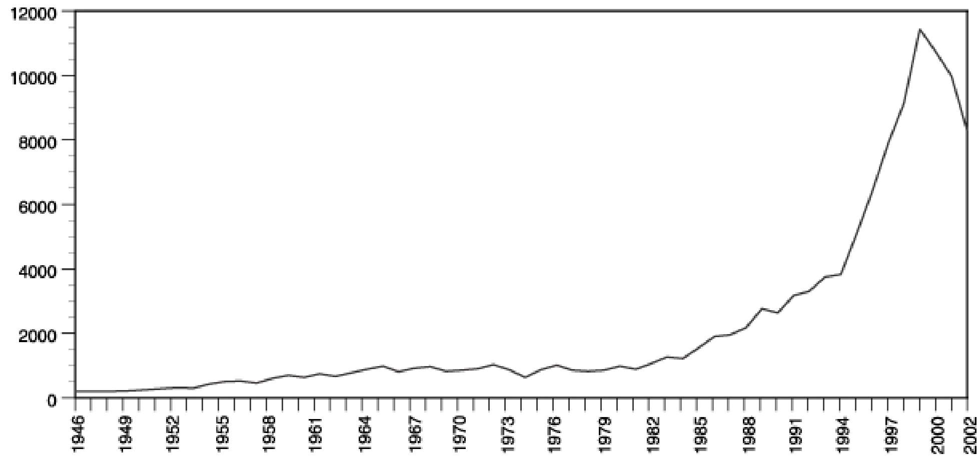
Historical Data on the DJIA

The following graph sets forth the closing values of the DJIA on the last business day of each year from 1946 through 2002. The historical experience of the DJIA should not be taken as an indication of future performance and no assurance can be given that the value of the DJIA will not decline and thereby reduce the Redemption Amount, if any, which may be payable to beneficial owners of Notes at maturity or otherwise.



Month-End Closing Values of the DJIA

The following table sets forth the closing value of the DJIA at the end of each month, in the period from January 1997 through November 2003. This historical data on the DJIA is not necessarily indicative of the future performance of the DJIA or what the value of the Notes may be. Any historical upward or downward trend in the closing value of the DJIA during any period set forth below is not any indication that the DJIA is more or less likely to decline at any time during the term of the Notes.

	1997	1998	1999	2000	2001	2002	2003
January	6,813.09	7,906.50	9,358.83	10,940.53	10,887.36	9,920.00	8,053.81
February	6,877.74	8,545.72	9,306.58	10,128.31	10,495.28	10,106.13	7,891.08
March	6,583.48	8,799.81	9,786.16	10,921.92	9,878.78	10,403.94	7,992.13
April	7,008.99	9,063.37	10,789.04	10,733.91	10,734.97	9,946.22	8,480.09
May	7,331.04	8,899.95	10,559.74	10,522.33	10,911.94	9,925.25	8,850.26
June	7,672.79	8,952.02	10,970.80	10,447.89	10,502.40	9,243.26	8,985.44
July	8,222.61	8,883.29	10,655.15	10,521.98	10,522.81	8,736.59	9,233.80
August	7,622.42	7,539.07	10,829.28	11,215.10	9,949.75	8,663.50	9,415.82
September	7,945.26	7,842.62	10,336.95	10,650.92	8,847.56	7,591.93	9,275.06
October	7,442.08	8,592.10	10,729.86	10,971.14	9,075.14	8,397.03	9,801.12
November	7,823.13	9,116.55	10,877.81	10,414.49	9,851.56	8,896.09	9,782.46
December	7,908.25	9,181.43	11,497.12	10,786.85	10,021.50	8,341.63	

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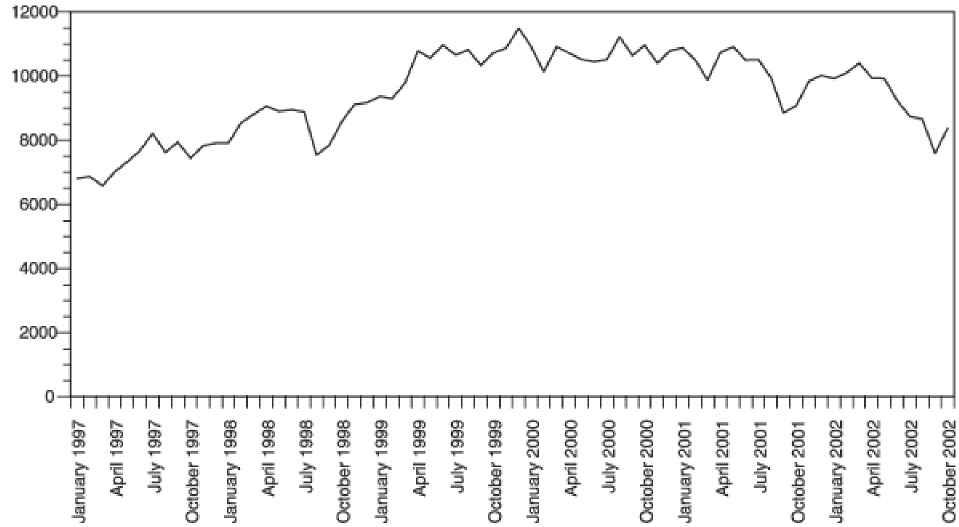
The following graph plots the historical month-end performance of the DJIA from January 1997 through November 2003. Past movements of the Index are not necessarily indicative of future DJIA values. The closing value of the DJIA on December 3, 2003 was 9,873.42.



DJIA License Agreement

"Dow Jones", "Dow Jones Industrial Average^{SM}", and "DJIA^{SM}" are service marks of Dow Jones & Company, Inc. Dow Jones has no relationship to MLPF&S or ML&Co., other than the licensing of the Dow Jones Industrial Average^{SM} and its service marks for use in connection with the Notes.

Dow Jones does not:

- Sponsor, endorse, sell or promote the Notes.
- Recommend that any person invest in the Notes or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of Notes.
- Have any responsibility or liability for the administration, management or marketing of the Notes.
- Consider the needs of the Notes or the owners of the Notes in determining, composing or calculating the Dow Jones Industrial Average^{SM} or have any obligation to do so.

Dow Jones will not have any liability in connection with the Notes. Specifically,

- Dow Jones does not make any warranty, express or implied, and Dow Jones disclaims any warranty about:
- The results to be obtained by the Notes, the beneficial owner of the Notes or any other person in connection with the use of the Dow Jones Industrial Average^{SM} and the data included in the Dow Jones Industrial Average^{SM};

- The accuracy or completeness of the Dow Jones Industrial Average^{SM} and its data;
- The merchantability and the fitness for a particular purpose or use of the Dow Jones Industrial Average^{SM} and its data;
- Dow Jones will have no liability for any errors, omissions or interruptions in the Dow Jones Industrial Average^{SM} or its data;
- Under no circumstances will Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if Dow Jones knows that they might occur.

The licensing agreement between MLPF&S and Dow Jones is solely for their benefit and not for the benefit of the owners of the Notes or any other third parties.

The Nasdaq-100 Index

The Nasdaq-100 Index is a modified market capitalization-weighted index of 100 of the largest stocks of non-financial companies listed on the Nasdaq National Market tier of The Nasdaq Stock Market. The Nasdaq-100 Index was first published in January 1985 and includes companies across a variety of major industry groups. As of November 30, 2003, the major industry groups covered in the Nasdaq-100 Index (listed according to their respective capitalization in the Nasdaq-100 Index) were as follows: computer and office equipment (32.67%), computer software/services (25.96%), biotechnology (9.42%), telecommunications (11.89%), retail/wholesale trade (10.13%), health care (4.13%), services (3.00%), manufacturing (1.90%) and transportation (0.90%). The identity and capitalization weightings of the five largest companies represented in the Nasdaq-100 Index as of November 30, 2003 were as follows: Microsoft Corporation (8.46%), Intel Corporation (6.74%), Cisco Systems, Inc. (4.98%), Amgen Inc. (3.06%) and QUALCOMM Incorporated (3.77%). Current information regarding the market value of the Nasdaq-100 Index is available from the Nasdaq as well as numerous market information services. The Nasdaq-100 Index is determined, comprised and calculated by the Nasdaq without regard to the Notes.

The Nasdaq-100 Index share weights of the component securities of the Nasdaq-100 Index at any time are based upon the total shares outstanding in each of the 100 Nasdaq-100 Index securities and are additionally subject, in certain cases, to rebalancing. Accordingly, each Component Stock's influence on the value of the Nasdaq-100 Index is directly proportional to the value of its Nasdaq-100 Index share weight.

Computation of the Nasdaq-100 Index

Underlying Stock Eligibility Criteria and Annual Ranking Review

Initial Eligibility Criteria

To be eligible for initial inclusion in the Nasdaq-100 Index, a security must be listed on The Nasdaq Stock Market and meet the following criteria:

- the security must be listed on the Nasdaq National Market;
- the security must be of a non-financial company;
- the security may not be issued by an issuer currently in bankruptcy proceedings;
- the security must have an average daily trading volume on The Nasdaq Stock Market of at least 200,000 shares;
- if the security is of a foreign issuer (a foreign issuer is determined based on its country of incorporation), it must have listed options or be eligible for listed-options trading;

- only one class of security per issuer is allowed;
- the issuer of the security may not have entered into a definitive agreement or other arrangement which would result in the security no longer being listed on The Nasdaq Stock Market within the next six months;
- the issuer of the security may not have annual financial statements with an audit opinion which the auditor or the company have indicated cannot be currently relied upon;
- the security must have “seasoned” on The Nasdaq Stock Market or another recognized market (generally, a company is considered to be seasoned if it has been listed on a market for at least two years; in the case of spin-offs, the operating history of the spin-off will be considered); and
- if the security would otherwise qualify to be in the top 25% of the securities included in the Nasdaq-100 Index by market capitalization for the six prior consecutive month ends, then a one-year “seasoning” criteria would apply.

Continued Eligibility Criteria

In addition, to be eligible for continued inclusion in the Nasdaq-100 Index the following criteria apply:

- the security must be listed on the Nasdaq National Market;
- the security must be of a non-financial company;
- the security may not be issued by an issuer currently in bankruptcy proceedings;
- the security must have an average daily trading volume of at least 200,000 shares;
- if the security is of a foreign issuer, it must have listed options or be eligible for listed-options trading, as measured annually during the ranking review process;
- the security must have an adjusted market capitalization equal to or exceeding 0.10% of the aggregate adjusted market capitalization of the Index at each month end. In the event a company does not meet this criterion for two consecutive month ends, it will be removed from the Index effective after the close of trading on the third Friday of the following month; and
- the issuer of the security may not have annual financial statements with an audit opinion which the auditor or the company have indicated cannot be currently relied upon.

These Nasdaq-100 Index eligibility criteria may be revised from time to time by the Nasdaq without regard to the Notes.

The Nasdaq-100 Index securities are evaluated on an annual basis, except under extraordinary circumstances which may result in an interim evaluation, as follows (such evaluation is referred to herein as the “Ranking Review”). Securities listed on The Nasdaq Stock Market which meet the above eligibility criteria are ranked by market value using closing prices as of the end of October and publicly available total shares outstanding as of the end of November. Nasdaq-100 Index-eligible securities which are already in the Nasdaq-100 Index and which are in the top 150 eligible securities (based on market value) are retained in the Nasdaq-100 Index provided that such security was ranked in the top 100 eligible securities as of the previous ranking review. Securities not meeting such criteria are replaced. The replacement securities chosen are those Nasdaq-100 Index-eligible securities not currently in the Nasdaq-100 Index which have the largest market capitalization.

Generally, the list of annual additions and deletions is publicly announced via a press release in the early part of December and replacements are made effective after the close of trading on the third Friday in December. Moreover, if at any time during the year a Nasdaq-100 Index security is no longer traded on The Nasdaq Stock

Market, or is otherwise determined by the Nasdaq to become ineligible for continued inclusion in the Nasdaq-100 Index, the security will be replaced with the largest market capitalization security not currently in the Nasdaq-100 Index and meeting the Nasdaq-100 Index eligibility criteria listed above.

In addition to the Ranking Review, the securities in the Nasdaq-100 Index are monitored every day by the Nasdaq with respect to changes in total shares outstanding arising from secondary offerings, stock repurchases, conversions or other corporate actions. The Nasdaq has adopted the following quarterly scheduled weight adjustment procedures with respect to such changes. If the change in total shares outstanding arising from such corporate action is greater than or equal to 5.0%, such change is made to the Nasdaq-100 Index on the evening prior to the effective date of such corporate action or as soon as practical thereafter. Otherwise, if the change in total shares outstanding is less than 5.0%, then all such changes are accumulated and made effective at one time on a quarterly basis after the close of trading on the third Friday in each of March, June, September, and December. In either case, the Nasdaq-100 Index share weights for such underlying stocks are adjusted by the same percentage amount by which the total shares outstanding have changed in such Nasdaq-100 Index securities. Ordinarily, whenever there is a change in the Index share weights or a change in a component security included in the Nasdaq-100 Index, the Nasdaq adjusts the divisor to assure that there is no discontinuity in the value of the Nasdaq-100 Index which might otherwise be caused by any such change.

Rebalancing of the Nasdaq-100 Index

The Nasdaq-100 Index is calculated under a “modified capitalization-weighted” methodology, which is a hybrid between equal weighting and conventional capitalization weighting. This methodology is expected to: (1) retain in general the economic attributes of capitalization weighting; (2) promote portfolio weight diversification (thereby limiting domination of the Nasdaq-100 Index by a few large stocks); (3) reduce Nasdaq-100 Index performance distortion by preserving the capitalization ranking of companies; and (4) reduce market impact on the smallest Nasdaq-100 Index securities from necessary weight rebalancings.

Under the methodology employed, on a quarterly basis coinciding with the Nasdaq’s quarterly scheduled weight adjustment procedures, the Nasdaq-100 Index securities are categorized as either “Large Stocks” or “Small Stocks” depending on whether their current percentage weights (after taking into account such scheduled weight adjustments due to stock repurchases, secondary offerings or other corporate actions) are greater than, or less than or equal to, the average percentage weight in the Nasdaq-100 Index (i.e., as a 100-stock index, the average percentage weight in the Nasdaq-100 Index is 1.0%).

Such quarterly examination will result in an Nasdaq-100 Index rebalancing if either one or both of the following two weight distribution requirements are not met: (1) the current weight of the single largest market capitalization Nasdaq-100 Index security must be less than or equal to 24.0% and (2) the “collective weight” of those Nasdaq-100 Index securities whose individual current weights are in excess of 4.5%, when added together, must be less than or equal to 48.0%. In addition, the Nasdaq may conduct a special rebalancing if it is determined necessary to maintain the integrity of the Nasdaq-100 Index.

If either one or both of these weight distribution requirements are not met upon quarterly review, or the Nasdaq determines that a special rebalancing is required, a weight rebalancing will be performed. First, relating to weight distribution requirement (1) above, if the current weight of the single largest Nasdaq-100 Index security exceeds 24.0%, then the weights of all Large Stocks will be scaled down proportionately towards 1.0% by enough for the adjusted weight of the single largest Nasdaq-100 Index security to be set to 20.0%. Second, relating to weight distribution requirement (2) above, for those Nasdaq-100 Index securities whose individual current weights or adjusted weights in accordance with the preceding step are in excess of 4.5%, if their “collective weight” exceeds 48.0%, then the weights of all Large Stocks will be scaled down proportionately towards 1.0% by just enough for the “collective weight,” so adjusted, to be set to 40.0%.

The aggregate weight reduction among the Large Stocks resulting from either or both of the above rescalings will then be redistributed to the Small Stocks in the following iterative manner. In the first iteration, the weight of the largest Small Stock will be scaled upwards by a factor which sets it equal to the average Nasdaq-100 Index weight of 1.0%. The weights of each of the smaller remaining Small Stocks will be scaled up by the same factor reduced in relation to each stock's relative ranking among the Small Stocks such that the smaller the Nasdaq-100 Index security in the ranking, the less the scale-up of its weight. This is intended to reduce the market impact of the weight rebalancing on the smallest component securities in the Nasdaq-100 Index.

In the second iteration, the weight of the second largest Small Stock, already adjusted in the first iteration, will be scaled upwards by a factor which sets it equal to the average index weight of 1.0%. The weights of each of the smaller remaining Small Stocks will be scaled up by this same factor reduced in relation to each stock's relative ranking among the Small Stocks such that, once again, the smaller the stock in the ranking, the less the scale-up of its weight.

Additional iterations will be performed until the accumulated increase in weight among the Small Stocks exactly equals the aggregate weight reduction among the Large Stocks from rebalancing in accordance with weight distribution requirement (1) and/or weight distribution requirement (2).

Then, to complete the rebalancing procedure, once the final percent weights of each of the Nasdaq-100 Index securities are set, the Nasdaq-100 Index share weights will be determined anew based upon the last sale prices and aggregate capitalization of the Nasdaq-100 Index at the close of trading on the Thursday in the week immediately preceding the week of the third Friday in March, June, September and December. Changes to the Nasdaq-100 Index share weights will be made effective after the close of trading on the third Friday in March, June, September and December and an adjustment to the Nasdaq-100 Index divisor will be made to ensure continuity of the Nasdaq-100 Index.

Ordinarily, new rebalanced weights will be determined by applying the above procedures to the current Nasdaq-100 Index share weights. However, the Nasdaq may from time to time determine rebalanced weights, if necessary, by instead applying the above procedure to the actual current market capitalization of the Nasdaq-100 Index components. In such instances, the Nasdaq would announce the different basis for rebalancing prior to its implementation.

Nasdaq-100 Index License Agreement

Nasdaq and ML&Co. have entered into a non-exclusive license agreement providing for the license to ML&Co., in exchange for a fee, of the right to use the Nasdaq-100 Index in connection with certain securities, including the Notes.

The license agreement between the Nasdaq and ML&Co. provides that the following language must be stated in this prospectus supplement:

> "The Notes are not sponsored, endorsed, sold or promoted by, The Nasdaq Stock Market, Inc. (including its affiliates) (the Nasdaq, with its affiliates, are referred to as the "Corporations"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Notes. The Corporations make no representation or warranty, express or implied to the owners of the Notes or any member of the public regarding the advisability of investing in securities generally or in the Notes particularly, or the ability of the Nasdaq-100 Index® to track general stock market performance. The Corporations' only relationship to ML&Co. is in the licensing of the Nasdaq-100®, Nasdaq-100 Index® , and Nasdaq® trademarks or service marks, and certain trade names of the Corporations and the use of the Nasdaq-100 Index® which is determined, composed and calculated by Nasdaq without

regard to ML&Co. or the Notes. Nasdaq has no obligation to take the needs of ML&Co. or the owners of the Notes into consideration in determining, composing or calculating the Nasdaq- 100 Index®. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in the determination or calculation of the equation by which the Notes are to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Notes.

THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE NASDAQ-100 INDEX® OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY ML&CO., OWNERS OF THE NOTES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE NASDAQ-100 INDEX® OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE NASDAQ-100 INDEX® OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.”

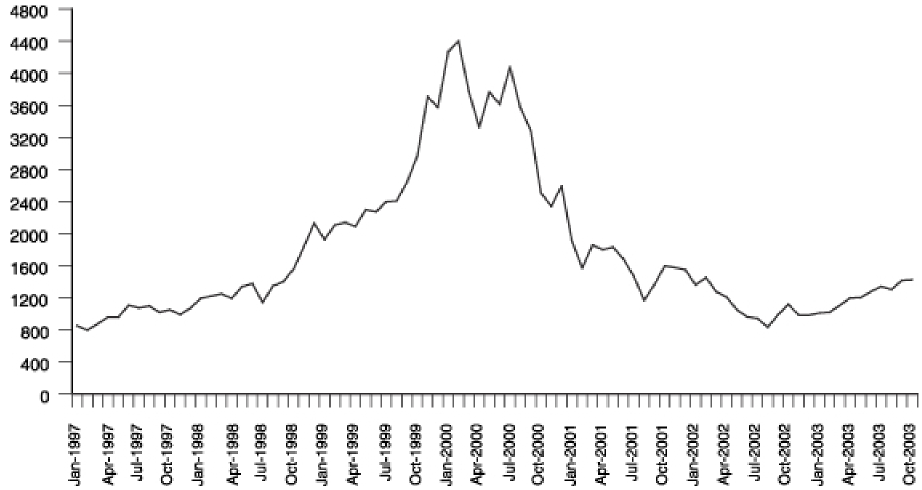
All disclosures contained in this prospectus supplement regarding the Nasdaq-100 Index, including its make-up, method of calculation and changes in its components, are derived from publicly available information prepared by Nasdaq. ML&Co. and MLPF&S do not assume any responsibility for the accuracy or completeness of such information.

Historical Data on the Nasdaq-100 Index

The following table sets forth the month-end closing value of the Nasdaq-100 Index from January 1997 through November 2003. These historical data on the Nasdaq-100 Index are not indicative of the future performance of the Nasdaq-100 Index or what the value of the Notes may be. Any historical upward or downward trend in the level of the Nasdaq-100 Index during any period set forth below is not an indication that the Nasdaq-100 Index is more or less likely to increase or decrease at any time during the term of the Notes.

	1997	1998	1999	2000	2001	2002	2003
January	921.55	1,071.13	2,127.19	3,570.05	2,593.00	1,550.17	983.05
February	850.46	1,194.13	1,925.28	4,266.94	1,908.32	1,359.22	1,009.74
March	797.06	1,220.66	2,106.39	4,397.84	1,573.25	1,452.81	1,018.66
April	874.74	1,248.12	2,136.39	3,773.18	1,855.15	1,277.07	1,106.06
May	958.85	1,192.07	2,089.70	3,324.08	1,799.89	1,208.34	1,197.89
June	957.30	1,337.34	2,296.77	3,763.79	1,830.19	1,051.41	1,201.69
July	1,107.03	1,377.26	2,270.93	3,609.35	1,683.61	962.11	1,276.94
August	1,074.17	1,140.34	2,396.87	4,077.59	1,469.70	942.38	1,341.20
September	1,097.17	1,345.48	2,407.90	3,570.61	1,168.37	832.52	1,303.70
October	1,019.62	1,400.52	2,637.44	3,282.30	1,364.78	989.54	1,416.39
November	1,050.51	1,557.96	2,966.71	2,506.54	1,596.05	1,116.10	1,424.25
December	990.80	1,836.01	3,707.83	2,341.70	1,577.05	984.36	

The following graph sets forth the month-end closing values of the Index from January 1997 through October 2003 set forth in the table above. Past movements of the Nasdaq-100 Index are not indicative of future values of the Nasdaq-100 Index. On December 3, 2003, the closing value of the Nasdaq-100 Index was 1,419.77.



UNITED STATES FEDERAL INCOME TAXATION

Set forth in full below is the opinion of Sidley Austin Brown & Wood LLP, counsel to ML&Co. (“Tax Counsel”). As the law applicable to the U.S. federal income taxation of instruments such as the Notes is technical and complex, the discussion below necessarily represents only a general summary. The following discussion is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (including changes in effective dates) or possible differing interpretations. It deals only with Notes held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, dealers in securities or currencies, persons subject to the alternative minimum tax, persons holding Notes as a hedge against currency risks, as a position in a “straddle” or as part of a “hedging” or “conversion” transaction for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than original purchasers (except where otherwise specifically noted). Persons considering the purchase of the Notes should consult their own tax advisors concerning the application of U.S. federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Notes arising under the laws of any other taxing jurisdiction.

As used herein, the term “U.S. Holder” means a beneficial owner of a Note that is for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation or a partnership (including an entity treated as a corporation or a partnership for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia (unless, in the case of a partnership, Treasury regulations are adopted that provide otherwise), (iii) an estate whose income is subject to U.S. federal income tax regardless of its source, (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or (v) any other person whose income or gain in respect of a Note is effectively connected with the conduct of a United States trade or business. Certain trusts not described in clause (iv) above in existence on August 20, 1996, that elect to be treated as United States persons will also be U.S. Holders for purposes of the following discussion. As used herein, the term “Non-U.S. Holder” means a beneficial owner of a Note that is not a U.S. Holder.

General

There are no statutory provisions, regulations, published rulings or judicial decisions addressing or involving the characterization and treatment, for U.S. federal income tax purposes, of the Notes or securities with terms substantially the same as the Notes. Accordingly, the proper U.S. federal income tax characterization and treatment of the Notes is uncertain. Pursuant to the terms of the Notes, ML&Co. and every holder of a Note agree (in the absence of an administrative determination or judicial ruling to the contrary) to characterize the Notes for all tax purposes as a pre-paid cash-settled forward contract linked to the value of the Composite Index. In the opinion of Tax Counsel, such characterization and tax treatment of the Notes, although not the only reasonable characterization and tax treatment, is based on reasonable interpretations of law currently in effect and, even if successfully challenged by the Internal Revenue Service (the “IRS”), will not result in the imposition of penalties. The treatment of the Notes described above is not, however, binding on the IRS or the courts. No statutory, judicial or administrative authority directly addresses the characterization of the Notes or instruments similar to the Notes for U.S. federal income tax purposes, and no ruling is being requested from the IRS with respect to the Notes.

Due to the absence of authorities that directly address instruments that are similar to the Notes, significant aspects of the U.S. federal income tax consequences of an investment in the Notes are not certain, and no assurance can be given that the IRS or the courts will agree with the characterization described above. Accordingly, prospective purchasers are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of an investment in the Notes (including alternative characterizations of the Notes) and with respect to any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Unless otherwise stated, the following discussion is based on the assumption that the treatment described above is accepted for U.S. federal income tax purposes.

Tax Treatment of the Notes

Assuming the characterization of the Notes as set forth above, Tax Counsel believes that the following U.S. federal income tax consequences should result.

Tax Basis. A U.S. Holder's tax basis in a Note will equal the amount paid by the U.S. Holder to acquire the Note.

Payment on the Maturity Date. Upon the receipt of cash at maturity of the Notes, a U.S. Holder will recognize gain or loss. The amount of such gain or loss will be the extent to which the amount of the cash received differs from the U.S. Holder's tax basis in the Note. It is uncertain whether any such gain or loss would be treated as ordinary income or loss or capital gain or loss. Absent a future clarification in current law (by an administrative determination or judicial ruling), where required, ML&Co. intends to report any such gain or loss to the IRS in a manner consistent with the treatment of such gain or loss as capital gain or loss. If such gain or loss is treated as capital gain or loss, then any such gain or loss will generally be long-term capital gain or loss, as the case may be, if the U.S. Holder held the Note for more than one year at maturity. The deductibility of capital losses is subject to certain limitations.

Sale, Redemption or Disposition of the Notes. Upon a sale, redemption or other disposition of a Note prior to the maturity of the Notes, a U.S. Holder will generally recognize capital gain or loss equal to the difference between the amount realized on such sale, redemption or disposition and such U.S. Holder's tax basis in the Note so sold, redeemed or disposed of by the U.S. Holder. Capital gain or loss will generally be long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of disposition. As discussed above, the deductibility of capital losses is subject to certain limitations.

Possible Alternative Tax Treatments of an Investment in the Notes

Due to the absence of authorities that directly address the proper characterization of the Notes, no assurance can be given that the IRS will accept, or that a court will uphold, the characterization and tax treatment described above. In particular, the IRS could seek to analyze the U.S. federal income tax consequences of owning the Notes under Treasury regulations governing contingent payment debt instruments (the "Contingent Payment Regulations").

If the IRS were successful in asserting that the Contingent Payment Regulations applied to the Notes, the timing and character of income thereon would be significantly affected. Among other things, a U.S. Holder would be required to accrue original issue discount on the Notes every year at a "comparable yield" for us, determined at the time of issuance of the Notes. Furthermore, any gain realized at maturity or upon a sale, redemption or other disposition of the Notes would generally be treated as ordinary income, and any loss realized at maturity would be treated as ordinary loss to the extent of the U.S. Holder's prior accruals of original issue discount and capital loss thereafter.

Even if the Contingent Payment Regulations do not apply to the Notes, other alternative U.S. federal income tax characterizations or treatments of the Notes may also be possible, and if applied could also affect the timing and the character of the income or loss with respect to the Notes. Accordingly, prospective purchasers are urged to consult their tax advisors regarding the U.S. federal income tax consequences of an investment in the Notes.

Constructive Ownership Law

Section 1260 of the Internal Revenue Code of 1986, as amended (the “Code”), treats a taxpayer owning certain types of derivative positions in property as having “constructive ownership” of that property, with the result that all or a portion of any long-term capital gain recognized by such taxpayer with respect to the derivative position will be recharacterized as ordinary income. In its current form, Section 1260 of the Code does not apply to a Note. If Section 1260 of the Code were to apply to a Note in the future, however, the effect on a U.S. Holder of a Note would be to treat all or a portion of any long-term capital gain recognized by such U.S. Holder on the sale, redemption, disposition or maturity of a Note as ordinary income. In addition, Section 1260 of the Code would impose an interest charge on any such gain that was recharacterized. U.S. Holders should consult their tax advisors regarding the potential application of Section 1260 of the Code, if any, to the purchase, ownership and disposition of a Note.

Non-U.S. Holders

Based on the treatment of each Note as a pre-paid cash-settled forward contract linked to the value of the Composite Index, in the case of a non-U.S. Holder, a payment made with respect to a Note on the maturity date will not be subject to United States withholding tax, provided that such non-U.S. Holder complies with applicable certification requirements and that such payments are not effectively connected with a United States trade or business of such non-U.S. Holder. Any capital gain realized upon the sale, redemption or other disposition of a Note by a non-U.S. Holder will generally not be subject to U.S. federal income tax if (i) such gain is not effectively connected with a United States trade or business of such non-U.S. Holder and (ii) in the case of an individual non-U.S. Holder, such individual is not present in the United States for 183 days or more in the taxable year of the sale, redemption or other disposition, or the gain is not attributable to a fixed place of business maintained by such individual in the United States, and such individual does not have a “tax home” (as defined for U.S. federal income tax purposes) in the United States.

As discussed above, alternative characterizations of the Notes for U.S. federal income tax purposes are possible. Should an alternative characterization of the Notes, by reason of a change or clarification of the law, by regulation or otherwise, cause payments with respect to the Notes to become subject to withholding tax, ML&Co. will withhold tax at the applicable statutory rate. Prospective non-U.S. Holders of the Notes should consult their own tax advisors in this regard.

Backup Withholding

A beneficial owner of a Note may be subject to backup withholding at the applicable statutory rate of U.S. federal income tax on certain amounts paid to the beneficial owner unless such beneficial owner provides proof of an applicable exemption or a correct taxpayer identification number, and otherwise complies with applicable requirements of the backup withholding rules.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner’s U.S. federal income tax provided the required information is furnished to the IRS.

ERISA CONSIDERATIONS

Each fiduciary of a pension, profit-sharing or other employee benefit plan (a “plan”) subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), should consider the fiduciary standards of ERISA in the context of the plan’s particular circumstances before authorizing an investment in the Notes. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code (the “Code”).

Section 406 of ERISA and Section 4975 of the Code prohibit plans, as well as individual retirement accounts and Keogh plans subject to Section 4975 of the Internal Revenue Code (also “plans”) from engaging in certain transactions involving “plan assets” with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code (“parties in interest”) with respect to the plan or account. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain employee benefit plans and arrangements including those that are governmental plans (as defined in section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA) (“non-ERISA arrangements”) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, foreign or other regulations, rules or laws (“similar laws”).

The acquisition of the Notes by a plan with respect to which we, MLPF&S, or certain of our affiliates is or becomes a party in interest may constitute or result in prohibited transaction under ERISA or Section 4975 of the Code, unless those Notes are acquired pursuant to and in accordance with an applicable exemption. The U.S. Department of Labor has issued five prohibited transaction class exemptions, or “PTCEs”, that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the Notes. These exemptions are:

(1) PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;

(2) PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;

(3) PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;

(4) PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and

(5) PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

The Notes may not be purchased or held by (1) any plan, (2) any entity whose underlying assets include “plan assets” by reason of any plan’s investment in the entity (a “plan asset entity”) or (3) any person investing “plan assets” of any plan, unless in each case the purchaser or holder is eligible for the exemptive relief available under one or more of the PTCEs listed above or another applicable similar exemption. Any purchaser or holder of the Notes or any interest in the Notes will be deemed to have represented by its purchase and holding of the Notes that it either (1) is not a plan or a plan asset entity and is not purchasing those Notes on behalf of or with “plan assets” of any plan or plan asset entity or (2) with respect to the purchase or holding, is eligible for the exemptive relief available under any of the PTCEs listed above or another applicable exemption. In addition, any purchaser or holder of the Notes or any interest in the Notes which is a non-ERISA arrangement will be deemed to have represented by its purchase and holding of the Notes that its purchase and holding will not violate the provisions of any similar law.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing the Notes on behalf of or with “plan assets” of any plan, plan asset entity or non-ERISA arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above or any other applicable exemption, or the potential consequences of any purchase or holding under similar laws, as applicable.

USE OF PROCEEDS AND HEDGING

The net proceeds from the sale of the Notes will be used as described under “Use of Proceeds” in the accompanying prospectus and to hedge market risks of ML&Co. associated with its obligation to pay the Redemption Amount.

WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the SEC. Our SEC filings are also available over the Internet at the SEC’s web site at http://www.sec.gov. The address of the SEC’s Internet site is provided solely for the information of prospective investors and is not intended to be an active link. You may also read and copy any document we file at the SEC’s public reference room in Washington, D.C. Please call the SEC at 1-800-SEC-0330 for more information on the public reference rooms and their copy charges. You may also inspect our SEC reports and other information at the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

We have filed a registration statement on Form S-3 with the SEC covering the Notes and other securities. For further information on ML&Co. and the Notes, you should refer to our registration statement and its exhibits. The prospectus accompanying this prospectus supplement summarizes material provisions of contracts and other documents that we refer you to. Because the prospectus may not contain all the information that you may find important, you should review the full text of these documents. We have included copies of these documents as exhibits to our registration statement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriter has not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriter is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

You should assume that the information appearing in this prospectus supplement and the accompanying prospectus is accurate as of the date on the front cover of this prospectus supplement only. Our business, financial condition and results of operations may have changed since that date.

UNDERWRITING

MLPF&S has agreed, subject to the terms and conditions of the underwriting agreement and a terms agreement, to purchase from ML&Co. $ aggregate original public offering price of Notes. The underwriting agreement provides that the obligations of the underwriter are subject to certain conditions and that the underwriter will be obligated to purchase all of the Notes if any are purchased.

The underwriter has advised ML&Co. that it proposes initially to offer all or part of the Notes directly to the public at the offering prices set forth on the cover page of this prospectus supplement and that it may offer a part of the Notes to certain dealers at a price that represents a concession not in excess of % of the original public offering price of the Notes. The underwriter may allow, and any such dealer may reallow, a concession not in excess of % of the original public offering price of the Notes to certain other dealers. After the initial public offering, the public offering prices and concessions may be changed. The underwriter is offering the Notes subject to receipt and acceptance and subject to the underwriter's right to reject any order in whole or in part. Proceeds to be received by ML&Co. will be net of the underwriting fee and expenses payable by ML&Co.

MLPF&S, a broker-dealer subsidiary of ML&Co., is a member of the National Association of Securities Dealers, Inc. and will participate in distributions of the Notes. Accordingly, offerings of the Notes will conform to the requirements of Rule 2720 of the Conduct Rules of the NASD.

The underwriter is permitted to engage in certain transactions that stabilize the price of the Notes. These transactions consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Notes.

If the underwriter creates a short position in the Notes in connection with the offering, *i.e.*, if it sells more Notes than are set forth on the cover page of this prospectus supplement, the underwriter may reduce that short position by purchasing Notes in the open market. In general, purchases of a security for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of these purchases. "Naked" short sales are sales in excess of the underwriter's overallotment option or, where no overallotment option exists, sales in excess of the number of units an underwriter has agreed to purchase from the issuer. Because MLPF&S, as underwriter for the Notes, has no overallotment option, it would be required to close out a short position in the Notes by purchasing Notes in the open market. Neither ML&Co. nor the underwriter makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither ML&Co. nor the underwriter makes any representation that the underwriter will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

MLPF&S may use this prospectus supplement and the accompanying prospectus for offers and sales related to market-making transactions in the Notes. MLPF&S may act as principal or agent in these transactions, and the sales will be made at prices related to prevailing market prices at the time of sale.

VALIDITY OF THE NOTES

The validity of the Notes will be passed upon for ML&Co. and for the underwriter by Sidley Austin Brown & Wood LLP, New York, New York.

EXPERTS

The consolidated financial statements and the related financial statement schedule incorporated in this prospectus supplement by reference from the Annual Report on Form 10-K of Merrill Lynch & Co., Inc. and subsidiaries for the year ended December 27, 2002 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports (which express an unqualified opinion, and which report on the consolidated financial statements includes an explanatory paragraph for the change in accounting method for goodwill amortization to conform to Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets*), which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated financial statements for the periods ended March 28, 2003 and March 29, 2002, June 27, 2003 and June 28, 2002 and September 26, 2003 and September 27, 2002 which are incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for reviews of such information. However, as stated in their reports included in Merrill Lynch & Co., Inc. and subsidiaries' Quarterly Reports on Form 10-Q for the quarters ended March 28, 2003, June 27, 2003 and September 26, 2003 and incorporated by reference herein, they did not audit and they do not express opinions on those unaudited condensed consolidated financial statements. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited condensed consolidated financial statements because such reports are not "reports" or "parts" of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

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1,000,000 Units

Merrill Lynch & Co., Inc.

Long Short Notes SM
Linked to the Dow Jones Industrial Average SM/Nasdaq-100®
Long Short Index due March , 2005
(the “Notes”)

$10 original public offering price per Unit

PROSPECTUS SUPPLEMENT

Merrill Lynch & Co.

January , 2004

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