

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	Global Rates																
2	Q3 Balance Sheet Management																
3																	
4																	
5		FINAL Q2 2008			AUGUST 21, 2008			Q3 2008 Proposed Levels			Current vs Q3 Proposed						
6	In Millions	Gross	Net	Reps 105	Gross	Net	Reps 105	Gross	Net	Reps 105	Gross	Net	Reps 105				
7		<i>Net of Reps 105</i>	<i>Net of Reps 105</i>		<i>Net of Reps 105</i>	<i>Net of Reps 105</i>		<i>Net of Reps 105</i>	<i>Net of Reps 105</i>		<i>Net of Reps 105</i>	<i>Net of Reps 105</i>					
8	RATES PROP AMER	12,311	1,190	5,593	25,241	2,733	58	24,000	1,500	-	1,241	1,233	58				
9	HOFFMAN	10,368	1,007	5,213	21,010	742	16										
10	BRUMBACH	1,196	-	379	2,737	1,955	42										
11	PHILLIPS	-	-	-	923	-	-										
12	AGENCIES	12,637	3,589	6,680	15,684	9,309	1,952	15,000	8,000	3,100	684	1,309	(1,148)				
13	COUPON TRADING	3,577	2,067	282	7,477	4,116	-	4,000	2,500	-	3,477	1,616	-				
14	PASSTHRU JV	4,099	4,083	0	5,928	5,784	-	4,500	4,500	-	1,428	1,284	-				
15	SHORT TERM US TREASURIES	4,254	3	-	4,522	1,366	-	4,500	500	-	22	866	-				
16	DERIVATIVE CORPORATE	6,642	6,642	-	1,047	1,047	-	1,000	1,000	-	47	47	-				
17	AGENCY CALLABLE	777	323	-	1,024	994	-	1,000	1,000	-	24	(6)	-				
18	DERIVATIVES MORTGAGES	133	38	-	891	604	-	900	600	-	(9)	4	-				
19	US LONG OPTIONS	31	30	-	854	773	-	800	800	-	54	(27)	-				
20	FUND DERIVATIVES AMERICAS	491	385	-	664	588	-	700	600	-	(36)	(12)	-				
21	CPI DERIVATIVES US	81	37	565	564	466	727	600	500	900	(36)	(34)	(173)				
22	US SWAPS	3,832	3,445	-	552	320	-	500	200	-	52	120	-				
23	INT RATE FLOW STRATEGIES	54	0	0	425	288	-	300	200	-	125	88	-				
24	STRUCTURED NOTES	163	136	3	144	115	7	150	100	-	(6)	15	7				
25	SHORT TERM AGENCIES	43	10	-	136	69	-	300	200	-	(164)	(131)	-				
26	DERIV MORTGAGE OPTIONS	81	48	9	105	62	-	150	100	-	(45)	(38)	-				
27	US SHORT OPTIONS	207	207	0	103	29	-	200	100	-	(97)	(71)	-				
28	EXOTIC OPTIONS	(1)	(1)	2	73	1	-	-	-	-	73	1	-				
29	FX PROP LATAM	79	76	6	31	31	-	50	50	-	(19)	(19)	-				
30	RATES CVA US	6	6	-	6	6	-	10	10	-	(4)	(4)	-				
31	(OVER)/UNDER	-	-	-	-	-	0	(1,160)	7,540	-	1,160	(7,540)	-				
32	AMERICAS	49,496	22,315	13,139	65,471	28,701	2,744	57,500	30,000	4,000	7,971	(1,299)	(1,256)				
33																	
34	OPTIONS INFLATION	9,214	1,496	17,607	12,470	6,449	7,724	10,000	4,500	10,000	2,470	1,949	(2,276)				
35	SWAPS	3,331	1,453	769	7,907	3,936	2,307	5,000	3,000	2,500	2,907	936	(193)				
36	EURO GOVTS	3,171	1,010	3,432	6,836	3,516	824	6,000	4,000	300	836	(484)	524				
37	STRATEGIC EXOTICS	2,600	2,600	-	2,830	2,830	-	2,850	2,850	-	(20)	(20)	-				
38	FUNDS JV TRADING	1,898	1,698	1	1,202	1,175	1	1,250	1,250	-	(48)	(75)	1				
39	OPTIONS EXOTIC	1,772	640	311	1,373	1,352	173	1,500	1,500	-	(127)	(148)	173				
40	GILTS	1,016	56	688	1,253	1,008	15	900	700	-	353	308	15				
41	DOLLAR GOVTS	1,330	369	1,504	1,116	342	196	800	300	200	316	42	(4)				
42	RATES CVA EUROPE	255	211	14	742	742	42	750	750	-	(8)	(8)	42				
43	OPTIONS PROP	1,715	328	1,582	656	59	471	750	150	500	(94)	(91)	(29)				
44	FUNDS SPVS	522	522	-	607	606	-	600	600	-	7	6	-				
45	INDEX BASIS JV	99	99	388	478	456	197	400	400	500	78	56	(303)				
46	RATES PROP EUROPE	437	264	62	379	264	-	400	250	-	(21)	14	-				
47	OPTIONS VANILLA	206	-	-	229	229	-	200	200	-	29	29	-				
48	FUND DERIVATIVES	750	750	1	99	99	0	730	730	-	(631)	(631)	0				
49	HYBRIDS	N/A	N/A	N/A	17	17	-	-	-	-	17	17	-				
50	INSURANCE PRODUCTS	1	1	13	25	25	10	-	-	-	25	25	10				
51	PROPERTY DERIVATIVES	7	7	6	4	4	-	-	-	-	4	4	-				
52	EMERGING MARKETS RATES	N/A	N/A	N/A	1	1	-	-	-	-	1	1	-				
53	ABS JV	-	-	-	3	3	-	-	-	-	3	3	-				
54	USD EXOTICS	31	31	1	0	0	1	-	-	-	0	0	1				
55	(OVER)/UNDER	-	-	-	-	-	0	870	(3,180)	-	(870)	3,180	-				
56	EUROPE	28,356	11,534	26,378	38,228	23,114	11,961	33,000	18,000	14,000	5,228	5,114	(2,039)				
57																	
58	GOVERNMENTS ASIA-YEN	8,772	2,957	2,601	11,899	6,975	19	8,700	2,900	2,000	3,199	4,075	(1,981)				
59	FID DERIVS ASIA	699	659	137	725	654	-	500	500	-	225	154	-				

	R	S	T	U	V	W	X	Y	Z	AA
1										
2										
3										
4										
5			AUGUST 20, 2008					Daily Change		
6	Comments		Gross	Net	Repo 10B		In Millions	Gross	Net	Repo 10B
7			Net of Repo 10B					Net of Repo 10B		
8	\$9M LBSF receivables - LMP America		26,514	2,617	56		RATES PROP AMER	(1,274)	116	1
9			21,440	727	16		HOFFMAN	(429)	15	0
10			3,591	1,853	41		BRUMBACH	(854)	102	1
11			918	-	-		PHILLIPS	5	-	-
12	\$2.4B LBSF receivables - Linear Trading Americas total		15,696	9,310	1,956		AGENCIES	(12)	(1)	(4)
13			7,634	4,132	-		COUPON TRADING	(156)	(16)	-
14	\$1.6B TBA receivables		5,168	5,086	-		PASSTHRU JV	761	699	-
15			5,624	2,286	-		SHORT TERM US TREASURIES	(1,102)	(919)	-
16			999	999	-		DERIVATIVE CORPORATE	48	48	-
17			948	932	-		AGENCY CALLABLE	75	61	-
18	\$510M LBSF receivables - Structured Products Americas		857	604	-		DERIVATIVES MORTGAGES	33	0	-
19	\$662M LBSF receivables - Options Americas total		785	773	-		US LONG OPTIONS	69	-	-
20	\$19M LBSF receivables		664	588	-		FUND DERIVATIVES AMERICAS	(0)	(0)	-
21			568	470	726		CPI DERIVATIVES US	(4)	(4)	1
22			419	177	-		US SWAPS	133	143	-
23			305	158	-		INT RATE FLOW STRATEGIES	120	130	-
24			117	115	7		STRUCTURED NOTES	27	(0)	0
25			266	199	-		SHORT TERM AGENCIES	(130)	(130)	-
26			97	57	-		DERIV MORTGAGE OPTIONS	8	5	-
27			130	32	-		US SHORT OPTIONS	(27)	(2)	-
28			32	1	-		EXOTIC OPTIONS	41	-	-
29			31	31	-		FX PROP LATAM	(0)	(0)	-
30			6	6	-		RATES CVA US	(0)	(0)	-
31			-	-	-		(OVER)/UNDER	-	-	-
32			66,859	28,572	2,745		AMERICAS	(1,388)	129	(1)
33										
34			13,336	7,227	7,118		OPTIONS INFLATION	(866)	(778)	606
35			7,885	3,878	2,360		SWAPS	22	57	(54)
36			7,419	4,127	559		EURO GOVTS	(583)	(611)	265
37			2,830	2,830	-		STRATEGIC EXOTICS	-	-	-
38			1,203	1,176	1		FUNDS JV TRADING	(1)	(1)	0
39			1,410	1,388	169		OPTIONS EXOTIC	(36)	(36)	4
40			1,188	933	15		GILTS	66	76	(0)
41			999	304	225		DOLLAR GOVTS	117	38	(29)
42			742	742	41		RATES CVA EUROPE	(0)	(0)	0
43			656	61	472		OPTIONS PROP	(0)	(1)	(1)
44			606	606	-		FUNDS SPVS	1	1	-
45			482	460	197		INDEX BASIS JV	(4)	(4)	0
46			385	265	-		RATES PROP EUROPE	(5)	(0)	-
47			229	229	-		OPTIONS VANILLA	(0)	-	-
48			104	104	0		FUND DERIVATIVES	(5)	(5)	(0)
49			17	17	-		HYBRIDS	-	-	-
50			25	25	10		INSURANCE PRODUCTS	(0)	(0)	0
51			4	4	-		PROPERTY DERIVATIVES	-	-	-
52			1	1	-		EMERGING MARKETS RATES	-	-	-
53			3	3	-		ABS JV	-	-	-
54			0	0	1		USD EXOTICS	0	0	(0)
55			-	-	-		(OVER)/UNDER	-	-	-
56			39,525	24,379	11,169		EUROPE	(1,296)	(1,265)	791
57										
58			13,087	7,651	19		GOVERNMENTS ASIA-YEN	(1,187)	(676)	0
59			708	639	-		FID DERIVS ASIA	17	15	-

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
60	GOVERNMENTS ASIA-NON YEN	654	265	-		576	294	-		350	200	-		226	94	-	
61	DERIVATIVES AUSTRALIA	76	76	-		226	220	-		300	300	-		(74)	(80)	-	
62	FID EXOTICS ASIA	93	93	27		114	58	28		150	100	-		(36)	(42)	28	
63	IRP MORTGAGE ASIA	5	5	-		3	-	-		-	-	-		3	-	-	
64	EXOTICS AUSTRALIA	34	34	-		73	73	-		-	-	-		73	73	-	
65	(OVER)/UNDER	-	-	-		-	-	-		500	500	-		(500)	(500)	-	
66	ASIA	10,334	4,089	2,765		13,615	8,273	46		10,500	4,500	2,000		3,115	3,773	(1,954)	
67																	
68	GLOBAL RATES	88,185	37,938	42,282		117,314	60,088	14,751		101,000	52,500	20,000		16,314	7,588	(5,249)	
69																	
70																	
71	LIMITS	104,900	41,000														
72																	
73	OVER / (UNDER)	(16,715)	(3,062)														

	R	S	T	U	V	W	X	Y	Z	AA
60			478	197	-		GOVERNMENTS ASIA-NON YEN	98	97	-
61			243	237	-		DERIVATIVES AUSTRALIA	(17)	(17)	-
62			194	57	27		FID EXOTICS ASIA	(81)	1	1
63			0	-	-		IRP MORTGAGE ASIA	3	-	-
64			72	72	-		EXOTICS AUSTRALIA	1	1	-
65			-	-	-		(OVER)/UNDER	-	-	-
66			14,782	8,853	45		ASIA	(1,167)	(580)	1
67										
68			121,165	61,804	13,960		GLOBAL RATES	(3,851)	(1,716)	791
69										
70										
71							LIMITS			
72										
73							OVER / (UNDER)			