

	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 19, 2008			Q3 2008 Proposed Levels			Current vs Q3 Proposed						
6	In Millions	Gross	Net	Repa 10%	Gross	Net	Repa 10%	Gross	Net	Repa 10%	Gross	Net	Repa 10%	Gross	Net	Repa 10%	
7		<i>Net of Repa 10%</i>	<i>Net of Repa 10%</i>		<i>Net of Repa 10%</i>	<i>Net of Repa 10%</i>		<i>Net of Repa 10%</i>	<i>Net of Repa 10%</i>		<i>Net of Repa 10%</i>	<i>Net of Repa 10%</i>		<i>Net of Repa 10%</i>	<i>Net of Repa 10%</i>		
8	RATES PROP AMER	12,311	1,190	5,593	27,568	2,703	56	24,000	1,500	-	3,568	1,203	56				
9	HOFFMAN	10,368	1,007	5,213	21,538	717	16										
10	BRUMBACH	1,196	-	379	4,619	1,951	41										
11	PHILLIPS	-	-	-	844	-	-										
12	AGENCIES	12,637	3,589	6,680	16,084	9,398	1,943	15,000	8,000	3,100	1,084	1,398	(1,157)				
13	COUPON TRADING	3,577	2,067	282	7,416	4,068	172	4,000	2,500	-	3,416	1,568	172				
14	SHORT TERM US TREASURIES	4,254	3	-	6,062	2,449	-	4,500	500	-	1,562	1,949	-				
15	PASSTHRU JV	4,099	4,083	0	5,774	5,141	-	4,500	4,500	-	1,274	641	-				
16	DERIVATIVE CORPORATE	6,642	6,642	-	1,481	1,481	-	1,500	1,500	-	(19)	(19)	-				
17	AGENCY CALLABLE	777	323	-	1,039	985	-	1,000	1,000	-	39	(15)	-				
18	US SWAPS	3,832	3,445	-	833	314	-	1,000	1,000	-	(167)	(686)	-				
19	SHORT TERM AGENCIES	43	10	-	121	58	-	500	500	-	(379)	(442)	-				
20	CPI DERIVATIVES US	81	37	565	509	383	816	500	500	900	9	(117)	(84)				
21	US LONG OPTIONS	31	30	-	792	773	-	1,000	500	-	(208)	273	-				
22	DERIVATIVES MORTGAGES	133	38	-	897	604	-	750	500	-	147	104	-				
23	INT RATE FLOW STRATEGIES	54	0	0	355	202	-	250	250	-	105	(48)	-				
24	FUND DERIVATIVES AMERICAS	491	385	-	879	588	-	200	150	-	679	438	-				
25	DERIV MORTGAGE OPTIONS	81	48	9	111	71	-	150	100	-	(39)	(29)	-				
26	US SHORT OPTIONS	207	207	0	170	30	-	200	100	-	(30)	(70)	-				
27	EXOTIC OPTIONS	(1)	(1)	2	47	1	-	-	-	-	47	1	-				
28	STRUCTURED NOTES	163	136	3	118	115	7	150	100	-	(32)	15	7				
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	(1,760)	6,740	-	1,760	(6,740)	-			
32	AMERICAS	49,496	22,315	13,139	70,291	29,401	2,994	57,500	30,000	4,000	12,791	(599)	(1,006)				
33																	
34	OPTIONS INFLATION	9,214	1,496	17,607	13,920	7,751	6,330	12,000	6,000	10,000	1,920	1,751	(3,670)				
35	SWAPS	3,331	1,453	769	8,011	3,942	2,482	5,000	3,000	2,500	3,011	942	(18)				
36	EURO GOVTS	3,171	1,010	3,432	7,809	4,497	613	7,000	4,000	300	809	497	313				
37	STRATEGIC EXOTICS	2,600	2,600	-	2,830	2,830	-	3,500	3,000	-	(670)	(170)	-				
38	FUNDS JV TRADING	1,898	1,698	1	2,036	1,863	1	1,750	1,500	-	286	363	1				
39	OPTIONS EXOTIC	1,772	640	311	1,423	1,418	170	1,000	1,000	-	423	418	170				
40	GILTS	1,016	56	688	1,039	896	11	900	700	-	139	196	11				
41	DOLLAR GOVTS	1,330	369	1,504	966	298	225	800	300	200	166	(2)	25				
42	OPTIONS PROP	1,715	328	1,582	755	147	472	750	150	500	5	(3)	(28)				
43	FUND DERIVATIVES	750	750	1	737	737	0	730	730	-	7	7	0				
44	INDEX BASIS JV	99	99	388	491	483	142	400	400	500	91	83	(358)				
45	RATES PROP EUROPE	437	264	62	377	264	-	400	250	-	(23)	14	-				
46	OPTIONS VANILLA	206	-	-	229	229	-	200	200	-	29	29	-				
47	RATES CVA EUROPE	255	211	14	198	198	42	200	200	-	(2)	(2)	42				
48	FUNDS SPVS	522	522	-	140	139	-	150	150	-	(10)	(11)	-				
49	HYBRIDS	N/A	N/A	N/A	17	17	-	-	-	-	17	17	-				
50	INSURANCE PRODUCTS	1	1	13	29	29	7	-	-	-	29	29	7				
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	1	1	0	-	-	-	1	1	0				
55	(OVER)/UNDER	-	-	-	-	-	-	0	(1,780)	(3,580)	-	1,780	3,580	-			
56	EUROPE	28,356	11,534	26,378	41,014	25,747	10,495	33,000	18,000	14,000	8,014	7,747	(3,505)				
57																	
58	GOVERNMENTS ASIA-YEN	8,772	2,957	2,601	12,039	6,636	19	8,700	2,900	2,000	3,339	3,736	(1,981)				
59	FID DERIVS ASIA	699	659	137	832	764	-	500	500	-	332	264	-				

	R	S	T	U	V	W	X	Y	Z	AA
1										
2										
3										
4										
5			AUGUST 18, 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		28,424	2,293	57		RATES PROP AMER	(857)	410	(1)
9			22,296	647	16		HOFFMAN	(758)	70	0
10			4,440	1,617	41		BRUMBACH	179	334	(1)
11			1,115	-	-		PHILLIPS	(271)	-	-
12	\$2.4B LBSF receivables - Linear Trading Americas total		15,907	9,214	1,943		AGENCIES	177	184	(0)
13			7,875	4,235	174		COUPON TRADING	(459)	(167)	(2)
14			5,975	2,362	-		SHORT TERM US TREASURIES	88	86	-
15	\$673M TBA receivables		4,700	4,263	-		PASSTHRU JV	1,074	878	-
16			1,483	1,483	-		DERIVATIVE CORPORATE	(2)	(2)	-
17			1,008	966	-		AGENCY CALLABLE	31	20	-
18			662	292	-		US SWAPS	171	22	-
19			674	611	-		SHORT TERM AGENCIES	(553)	(553)	-
20			466	340	826		CPI DERIVATIVES US	43	43	(10)
21	\$662M LBSF receivables - Options Americas total		715	691	-		US LONG OPTIONS	77	82	-
22	\$510M LBSF receivables - Structured Products Americas		843	558	-		DERIVATIVES MORTGAGES	53	46	-
23			340	190	-		INT RATE FLOW STRATEGIES	14	12	-
24	\$19M LBSF receivables		865	574	-		FUND DERIVATIVES AMERICAS	14	14	-
25			113	73	-		DERIV MORTGAGE OPTIONS	(2)	(2)	-
26			125	30	-		US SHORT OPTIONS	45	(0)	-
27			1	1	-		EXOTIC OPTIONS	46	-	-
28			117	115	6		STRUCTURED NOTES	1	1	1
29			53	53	-		FX PROP LATAM	(21)	(21)	-
30			6	6	-		RATES CVA US	(0)	(0)	-
31			-	-	-		(OVER)/UNDER	-	-	-
32			70,350	28,350	3,007		AMERICAS	(58)	1,051	(13)
33										
34			15,490	9,234	6,321		OPTIONS INFLATION	(1,570)	(1,483)	10
35			8,084	4,029	2,301		SWAPS	(73)	(87)	180
36			7,669	4,632	598		EURO GOVTS	140	(136)	14
37			2,830	2,830	-		STRATEGIC EXOTICS	-	-	-
38			1,694	1,521	1		FUNDS JV TRADING	342	342	1
39			1,324	1,320	171		OPTIONS EXOTIC	98	98	(1)
40			796	643	6		GILTS	243	253	5
41			806	308	224		DOLLAR GOVTS	159	(10)	0
42			754	147	472		OPTIONS PROP	1	1	0
43			737	737	0		FUND DERIVATIVES	0	0	0
44			494	486	183		INDEX BASIS JV	(3)	(3)	(41)
45			380	263	-		RATES PROP EUROPE	(3)	1	-
46			135	135	-		OPTIONS VANILLA	94	94	-
47			198	198	42		RATES CVA EUROPE	0	0	(0)
48			141	140	-		FUNDS SPVS	(1)	(1)	-
49			17	17	-		HYBRIDS	-	-	-
50			25	25	11		INSURANCE PRODUCTS	4	4	(4)
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			41,583	26,674	10,331		EUROPE	(568)	(927)	164
57										
58			12,091	6,526	19		GOVERNMENTS ASIA-YEN	(52)	110	0
59			888	820	-		FID DERIVS ASIA	(56)	(56)	-

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
60	GOVERNMENTS ASIA-NON YEN	654	265	-		457	193	-		350	200	-		107	(7)	-	
61	DERIVATIVES AUSTRALIA	76	76	-		297	291	-		300	300	-		(3)	(9)	-	
62	FID EXOTICS ASIA	93	93	27		206	57	27		150	100	-		56	(43)	27	
63	IRP MORTGAGE ASIA	5	5	-		-	-	-		-	-	-		-	-	-	
64	EXOTICS AUSTRALIA	34	34	-		72	72	-		-	-	-		72	72	-	
65	(OVER)/UNDER	-	-	-		-	-	-		500	500	-		(500)	(500)	-	
66	ASIA	10,334	4,089	2,765		13,903	8,013	45		10,500	4,500	2,000		3,403	3,513	(1,955)	
67																	
68	GLOBAL RATES	88,185	37,938	42,282		125,208	63,160	13,534		101,000	52,500	20,000		24,208	10,660	(6,466)	
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			502	220	0		GOVERNMENTS ASIA-NON YEN	(45)	(27)	(0)
61			295	289	-		DERIVATIVES AUSTRALIA	2	2	-
62			195	52	26		FID EXOTICS ASIA	11	6	1
63			-	-	-		IRP MORTGAGE ASIA	-	-	-
64			72	72	-		EXOTICS AUSTRALIA	0	0	-
65			-	-	-		(OVER)/UNDER	-	-	-
66			14,043	7,979	45		ASIA	(140)	34	1
67										
68			125,976	63,002	13,383		GLOBAL RATES	(768)	158	151
69										
70										
71							LIMITS			
72										
73							OVER / (UNDER)			