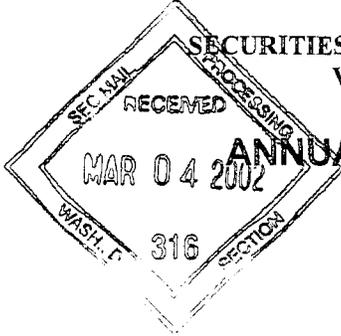


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SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

**ANNUAL AUDITED REPORT
 FORM X-17A-5
 PART III**

SEC FILE NUMBER
~~8-916427~~
8-36392

FACING PAGE
**Information Required of Brokers and Dealers Pursuant to Section 17 of the
 Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 1, 2001 AND ENDING December 31, 2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
Millennium Trading Co., L.P.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
666 Fifth Avenue, 8th Floor

New York (City) **NY** (State) **10103** (Zip Code)

OFFICIAL USE ONLY
 FIRM ID. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Robert A. Williams **212-841-4125**
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Ernst & Young LLP

787 Seventh Avenue (Address) **New York** (City) **NY** (State) **10019** (Zip Code)

- CHECK ONE:**
- Certified Public Accountant
 - Public Accountant
 - Accountant not resident in United States or any of its possessions.

PROCESSED
MAR 21 2002

FOR OFFICIAL USE ONLY THOMSON FINANCIAL

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

3/21/02

OATH OR AFFIRMATION

I, See separate oath, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of _____, as of _____, 20_____, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Signature

Title

Notary Public

This report** contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims or Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (l) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A or Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (o) Schedule of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Commodity Exchanges.
- (p) Statement of Secured Amount and Funds Held in Separate Accounts for Foreign Futures and Options Customers Pursuant to Commission Regulation 30.7.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

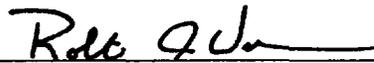
OATH OR AFFIRMATION

To the best of our knowledge and belief, the accompanying financial statements and supplemental information pertaining to Millennium Trading Co., L.P. at and for the year ended December 31, 2001 are true and correct. I further affirm that neither the Company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer.

Millennium Management, L.L.C.
General Partner



Israel A. Englander
Managing Member



Robert A. Williams
Chief Financial Officer

Sworn to before me
this 27th day of
February, 2002



Notary Public

STEVEN C. WEIDMAN
Notary Public, State of New York
No. 01WE4979574
Qualified in Rockland County
Certificate Filed in New York County
Commission Expires April 1, 2002

STATEMENT OF FINANCIAL CONDITION

Millennium Trading Co., L.P.

December 31, 2001

with Report of Independent Auditors

MAN U
WASH D C

Millennium Trading Co., L.P.

Statement of Financial Condition

December 31, 2001

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Report of Independent Auditors

To the Partners of
Millennium Trading Co., L.P.

We have audited the accompanying statement of financial condition of Millennium Trading Co., L.P. (the "Company") as of December 31, 2001. This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement of financial condition based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Millennium Trading Co., L.P. at December 31, 2001 in conformity with accounting principles generally accepted in the United States.

Ernst & Young LLP

February 11, 2002

Millennium Trading Co., L.P.
Statement of Financial Condition

December 31, 2001

Assets

Receivable from clearing organization

\$ 1,018,293

Partners' capital

Partners' capital

\$ 1,018,293

See accompanying notes.

Millennium Trading Co., L.P.

Notes to Statement of Financial Condition

December 31, 2001

1. Organization

Millennium Trading Co., L.P. (the "Company"), a New York limited partnership, is a registered broker-dealer under the Securities Exchange Act of 1934. The Company engages in proprietary securities transactions and clears all trades on a fully disclosed basis through its clearing broker.

Millennium Management, L.L.C. is the general partner. Millennium Partners, L.P. is the limited partner.

2. Significant Accounting Policies

Transactions in securities and related revenue and expenses are recorded on a trade date basis.

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the statement of financial condition and accompanying notes. Actual results could differ from those estimates.

3. Receivable from Clearing Organization

Receivable from clearing organization represents cash held at the clearing broker at December 31, 2001.

4. Related Party Transactions

Millennium Partners, L.P. and an affiliate provide trading and accounting services and incur all administrative expenses on the Company's behalf without charge.

5. Net Capital Requirement

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule 15c3-1 (the "Rule") which specifies, among other requirements, minimum net capital requirements for registered broker-dealers. The Company has elected to compute its net capital under the alternative method permitted by the Rule which requires, among other things, that the Company maintain minimum net capital, as defined, of \$250,000. At December 31, 2001, the Company had net capital of \$998,293 which exceeded its requirements by \$748,293.

Millennium Trading Co., L.P.

Notes to Statement of Financial Condition (continued)

5. Net Capital Requirement (continued)

Certain advances, payments and other equity withdrawals are restricted by the provisions of the Rules of the Securities and Exchange Commission.

Under the clearing arrangement with the clearing broker, the Company is required to maintain certain minimum levels of capital and comply with other financial ratio requirements. At December 31, 2001, the Company was in compliance with all such requirements.

6. Income Taxes

No federal, state or local income taxes have been provided at the Company level since the partners are individually liable for the taxes on their share of the Company's income or loss.

7. Concentration of Credit Risk

The Company clears its securities transactions through a major financial services firm.

8. Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under SFAS No. 107, "Disclosures About Fair Value of Financial Instruments" approximates the carrying amounts presented in the statement of financial condition.