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**E*TRADE FINANCIAL CORPORATION REPORTS
MONTHLY ACTIVITY FOR OCTOBER 2012**

NEW YORK, November 14, 2012 – E*TRADE Financial Corporation (NASDAQ: ETFC) today released its Monthly Activity Report for October 2012.

Daily Average Revenue Trades (“DARTs”) for October were 124,246, a ten percent decrease from September and a 21 percent decrease from the year-ago period. The Company added 23,365 gross new brokerage accounts in October, ending the month with approximately 2.9 million brokerage accounts – a decrease of 5,153 from September. Total accounts ended the month at approximately 4.4 million.

Net new brokerage assets were positive \$0.3 billion in the month. During the month, customer security holdings decreased by 1.8 percent, or \$2.6 billion, and brokerage-related cash decreased by \$0.9 billion to \$31.7 billion, as customers were net buyers of approximately \$1.3 billion in securities. Bank-related cash and deposits decreased by \$0.1 billion, ending the month at \$7.1 billion.

(more)

Monthly Activity Data

	Oct-12	Sep-12	Oct-11	% Chg. M/M	% Chg. Y/Y
Trading days	21.0	19.0	21.0	N.M.	N.M.
DARTs	124,246	137,449	157,713	(9.6)%	(21.2)%
Gross new brokerage accounts	23,365	23,799	22,723	(1.8)%	2.8 %
Gross new stock plan accounts	14,164	10,830	12,147	30.8 %	16.6 %
Gross new banking accounts	857	905	1,697	(5.3)%	(49.5)%
Total gross new accounts	38,386	35,534	36,567	8.0 %	5.0 %
Net new brokerage accounts	(5,153)	4,576	(836)	N.M.	N.M.
Net new stock plan accounts	2,251	(248)	1,597	N.M.	N.M.
Net new banking accounts	(3,608)	(2,412)	(3,218)	N.M.	N.M.
Net new accounts	(6,510)	1,916	(2,457)	N.M.	N.M.
End of period brokerage accounts	2,887,699	2,892,852	2,771,980	(0.2)%	4.2 %
End of period stock plan accounts	1,121,091	1,118,840	1,063,685	0.2 %	5.4 %
End of period banking accounts	434,276	437,884	469,565	(0.8)%	(7.5)%
End of period total accounts	4,443,066	4,449,576	4,305,230	(0.1)%	3.2 %
Customer Assets (\$B)					
Security holdings	\$ 138.6	\$ 141.2	\$ 121.3	(1.8)%	14.3 %
Customer payables (cash)	5.5	6.0	5.7	(8.3)%	(3.5)%
Customer cash balances held by third parties	5.9	4.7	3.4	25.5 %	73.5 %
Unexercised stock plan customer options (vested)	21.3	23.1	19.8	(7.8)%	7.6 %
Customer assets in brokerage and stock plan accounts	171.3	175.0	150.2	(2.1)%	14.0 %
Sweep deposits	20.3	21.9	18.0	(7.3)%	12.8 %
Savings, transaction and other	7.1	7.2	7.8	(1.4)%	(9.0)%
Customer assets in banking accounts	27.4	29.1	25.8	(5.8)%	6.2 %
Total customer assets	\$ 198.7	\$ 204.1	\$ 176.0	(2.6)%	12.9 %
Net new brokerage assets (\$B) ⁽¹⁾	\$ 0.3	\$ 0.5	\$ 0.6	N.M.	N.M.
Net new banking assets (\$B) ⁽¹⁾	(0.1)	(0.1)	-	N.M.	N.M.
Net new customer assets (\$B) ⁽¹⁾	\$ 0.2	\$ 0.4	\$ 0.6	N.M.	N.M.
Brokerage related cash (\$B)	\$ 31.7	\$ 32.6	\$ 27.1	(2.8)%	17.0 %
Other customer cash and deposits (\$B)	7.1	7.2	7.8	(1.4)%	(9.0)%
Total customer cash and deposits (\$B)	\$ 38.8	\$ 39.8	\$ 34.9	(2.5)%	11.2 %
Customer net (purchase) / sell activity (\$B)	\$ (1.3)	\$ 0.8	\$ 0.9	N.M.	N.M.

(1) Net new customer assets are total inflows to all new and existing customer accounts less total outflows from all closed and existing customer accounts. The net new banking assets and net new brokerage assets metrics treat asset flows between E*TRADE entities in the same manner as unrelated third party accounts.

Historical metrics and financials can be found on E*TRADE Financial's investor relations website at <https://investor.etrade.com>.

About E*TRADE Financial

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