

# SECURITIES AND EXCHANGE COMMISSION

## FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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### FILER

**MERRILL LYNCH RETIREMENT RESERVES MO FU OF MER  
LYN RE SER TR**

CIK: **356013** | IRS No.: **133092129** | State of Incorporation: **NJ** | Fiscal Year End: **1031**  
Type: **N-30D** | Act: **40** | File No.: **811-03310** | Film No.: **95546779**

Mailing Address  
*C/O MERRILL LYNCH ASSET  
MANAGEMENT  
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MERRILL LYNCH  
RETIREMENT  
RESERVES  
MONEY FUND

Merrill Lynch  
Retirement Series Trust

FUND LOGO

Semi-Annual Report  
April 30, 1995

This report is not authorized for use as an offer of sale or a solicitation of an offer to buy shares of the Fund unless accompanied or preceded by the Fund's current prospectus. Past performance results shown in this report should not be considered a representation of future performance, which will fluctuate. The Fund seeks to maintain a consistent \$1.00 net asset value per share, although this cannot be assured. An investment in the Fund is neither insured nor guaranteed by the US Government.

Merrill Lynch  
Retirement Reserves  
Money Fund  
Box 9011  
Princeton, New Jersey  
08543-9011

DEAR SHAREHOLDER

For the six months ended April 30, 1995 Merrill Lynch Retirement Reserves Money Fund's net annualized yield was 5.39%.\* The Fund's 7-day yield as of April 30, 1995 was 5.71% (including realized gains and losses) and 5.65% (excluding realized gains and losses).

#### The Environment

During the six months ended April 30, 1995, the perception that the US economy was overheating and inflationary pressures were increasing gave way to a more benign economic outlook. With more signs of slowing growth, investors now appear to be forecasting a "soft landing" for the US economy. Although gross domestic product was reported to have increased at a revised 5.1% rate during the final quarter of 1994, declines in other indicators such as new home sales and durable goods orders registered thus far in 1995 have led investors to anticipate that the economy is losing enough momentum to keep inflation under control and preclude further significant monetary policy tightening by the Federal Reserve Board. A further indication of a slowing economy was the reported decline in the Index of Leading Economic Indicators for March.

As US stock and bond markets have risen on more positive economic news, the value of the US dollar has reached new lows relative to the yen and the Deutschemark. Persistent trade deficits and exports

of capital from the United States have kept the US currency in a decade-long decline relative to the Japanese and German currencies. Over the longer term, since the United States has the highest productivity among industrialized nations and among the lowest labor costs, demand for US dollar-denominated assets may improve. However, a reduction of the still-widening US trade deficit may be necessary before the US dollar appreciates substantially relative to the yen and the Deutschemark.

The first months of 1995 have been very positive for the stock and bond markets. Continued signs of a moderating expansion and well-contained inflationary pressures would provide further assurance that the peak in interest rates is behind us. On the other hand, indications of reaccelerating growth and further significant monetary policy tightening by the Federal Reserve Board would be a decided negative for the US financial markets.

[FN]

\*Based on a constant investment throughout the period, with dividends compounded daily, and reflecting a net return to the investor after all expenses.

#### Portfolio Matters

During the six months ended April 30, 1995, Merrill Lynch Retirement Reserves Money Fund maintained an average life ranging from a low of 45 days to a high of 70 days. The extent to which the average maturity varied was testimony to the contrary factors affecting the front end of the fixed-income yield curve.

As we entered November, we maintained a very conservative approach to the Fund's investment strategy. Specifically, it was our contention that the domestic economy would exhibit sufficient forward momentum which would necessitate the Federal Reserve Board to maintain its tight monetary policy. In line with this, we increased the Fund's overnight cash position and sold 6-month--12-month Federal agency discount notes given the narrowing in yield spreads to US Treasury bills. Furthermore, variable rate securities exceeded 35% of total assets. Subsequent to the 75 basis point (0.75%) hike in the Federal Funds rate, we earmarked some of the Fund's cash position for investment in 90-day money market securities. Our rationale was that the Federal Reserve Board would be on hold for no less than three months, and thus it was beneficial to take advantage of the steepness in the front end of the yield curve.

By mid-January, with the two-year Treasury note yielding 7.5%, we made the decision to extend the Fund's average portfolio maturity in response to our belief that the market had fully priced another round of tightening by the Federal Reserve Board. Although we were anticipating a 50 basis point move in the Federal Funds rate at the Federal Open Market Committee's February 1, 1995 meeting, the one-year--two-year sector of the yield curve offered good value to even an expected 6% Federal Funds rate. Shortly after the interest rate hike on February 1, 1995, the market caught a very technically driven bid as investors who had built up significant cash balances began to put this money to work. Market psychology was further enhanced by the preliminary signs that the economy may well be achieving a soft landing. By the April period-end, the two-year Treasury note had rallied nearly 100 basis points.

Looking ahead, we expect to maintain the Fund's average life toward the higher end of the allowed band as the market continues to be favorably affected by market technicals. We will closely monitor this as well as the state of the economy and will adjust our investment strategy accordingly.

The Fund's portfolio composition at the end of the April period and as of our last report is detailed below:

	4/30/95	10/31/94
Bank Notes	2.0%	5.6%
Certificates of Deposit--European	5.0	1.1
Certificates of Deposit--Yankee	5.8	1.3
Commercial Paper--Discount	30.9	35.5
Corporate Notes	1.5	0.6
Master Notes	3.2	3.0

Repurchase Agreements	1.8	1.3
US Government, Agency & Instrumentality Obligations-- Discount Notes	16.0	14.7
US Government, Agency & Instrumentality Obligations-- Non-Discount Notes	33.8	36.9
	-----	-----
	100.0%	100.0%
	=====	=====

In Conclusion

We appreciate your continued interest in Merrill Lynch Retirement Reserves Money Fund, and we look forward to assisting you with your financial needs in the months and years ahead.

Sincerely,

(Arthur Zeikel)  
Arthur Zeikel  
President

(Christopher G. Ayoub)  
Christopher G. Ayoub  
Vice President and Portfolio Manager

June 1, 1995

SCHEDULE OF INVESTMENTS (in Thousands)

Issue	Face Amount	Interest Rate*	Maturity Date	Value (Note 1a)
Bank Notes--2.0%				
BankAmerica Corporation	\$ 9,000	6.30%	7/24/95	\$ 8,869
	10,000	6.30	7/26/95	9,851
Fifth Third Bank, N.A., Cincinnati	20,000	6.24	10/18/95	19,980
NationsBank, N.A. (Carolinas)	23,000	5.40	5/19/95	22,985
	50,000	5.65	7/21/95	49,901
	47,000	5.50	8/04/95	46,859
Total Bank Notes (Cost--\$158,658)				158,445

Certificates of Deposit--European--5.1%

Abbey National Treasury Services PLC	10,000	7.22	2/05/96	10,054
	25,000	6.62	4/01/96	25,020
	50,000	6.54	4/08/96	50,008
Bank of America Corporation N.T., S.A.	50,000	6.26	10/19/95	50,000
Bank of Scotland	25,000	6.76	4/04/96	25,052
NationsBank, NC	30,000	5.47	5/19/95	29,983
Societe Generale, NY	90,000	6.08	6/15/95	90,004
Sumitomo Bank	100,000	6.11	5/03/95	100,000

Ltd., Japan	22,000	6.12	5/03/95	22,000
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Total Certificates of Deposit--European (Cost--\$402,120)				402,121
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Certificates of Deposit--Yankee--6.0%

Banc One, Colorado	50,000	6.00	6/06/95	50,000
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Credit Suisse	25,000	6.25	10/18/95	24,999
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Dai-Ichi Kangyo Bank, Ltd., NY	85,000	6.06	5/22/95	85,000
	30,000	6.18	5/23/95	29,999
	20,000	6.19	5/31/95	20,001

Sanwa Bank Ltd., NY	20,000	6.08	5/08/95	20,000
	50,000	6.05	5/22/95	50,000
	50,000	6.06	5/22/95	50,000
	20,000	6.13	6/12/95	20,001

Societe Generale, NY	45,000	6.75	6/02/95	45,023
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Sumitomo Bank, Ltd., NY	20,000	6.15	5/02/95	20,000
	48,000	6.11	5/03/95	48,000
	10,000	6.14	5/09/95	10,000

Total Certificates of Deposit--Yankee (Cost--\$473,011)				473,023
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Commercial Paper--Discount--31.9%

AIG Funding, Inc.	21,000	5.97	5/03/95	20,982
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Allomon Funding Corp.	10,055	6.00	5/08/95	10,038
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American Express Credit Corporation	50,000	6.07	10/16/95	48,556
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Associates Corporation of North America	50,000	6.00	5/09/95	49,908
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B.B.V. Finance (Delaware), Inc.	50,000	5.99	5/08/95	49,917
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SCHEDULE OF INVESTMENTS (continued) (in Thousands)

Issue	Face Amount	Interest Rate*	Maturity Date	Value (Note 1a)
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Commercial Paper--Discount (continued)

CXC Inc.	\$ 45,000	6.03 %	5/03/95	\$ 44,962
	50,000	6.00	5/08/95	49,917

Caisse des Depots et Consignations	27,000	5.96	5/30/95	26,857
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Central and South West Corp.	44,000	5.98	5/02/95	43,971
	30,000	6.03	5/04/95	29,970

Citicorp	50,000	6.05	5/03/95	49,958
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Creditanstalt Finance, Inc.	50,000	5.99	5/08/95	49,917
	50,000	6.00	5/11/95	49,892

Deer Park	25,000	6.03	5/01/95	24,987
Refining L.P.	12,000	6.00	5/08/95	11,980
	13,000	6.02	5/31/95	12,928
Du Pont (E.I.)	30,000	6.03	9/19/95	29,272
de Nemours & Company	50,000	6.05	10/12/95	48,590
Eiger Capital Corp.	50,000	6.00	5/03/95	49,958
	35,000	5.97	5/17/95	34,890
Falcon Asset Securitization Corp.	12,475	6.10	5/08/95	12,454
	15,875	6.00	5/10/95	15,843
	12,963	5.96	5/25/95	12,905
	21,600	6.00	6/06/95	21,460
	45,825	6.02	6/12/95	45,480
Ford Motor Credit Company	100,000	6.10	5/01/95	99,949
	66,900	5.97	5/15/95	66,711
General Electric Capital Corp.	75,000	6.43	5/04/95	74,924
	25,000	6.36	5/08/95	24,958
	50,000	6.38	8/03/95	49,185
Goldman Sachs Group, L.P.	100,000	6.04	5/08/95	99,832
	25,000	6.02	5/22/95	24,900
	47,000	6.175	9/18/95	45,867
Internationale Nederlanden (U.S.) Funding Corp.	36,000	6.00	5/05/95	35,958
	74,000	6.00	5/11/95	73,840
	40,000	6.24	7/12/95	39,498
Kingdom of Sweden	39,000	6.18	7/12/95	38,510
Kredietbank North American Finance Corp.	50,000	5.97	5/24/95	49,784
McKenna Triangle National Corp.	13,700	6.00	5/05/95	13,684
	10,000	6.00	5/10/95	9,980
National Rural Utilities Cooperative Finance Corp.	57,000	5.95	5/22/95	56,774
New Center Asset Trust	40,000	6.03	6/12/95	39,699
	50,000	6.13	7/31/95	49,213
	45,000	6.15	7/31/95	44,291
	50,000	6.15	8/15/95	49,084
New South Wales Treasury Corp.	35,000	6.00	5/09/95	34,936

SCHEDULE OF INVESTMENTS (continued) (in Thousands)

Issue	Face Amount	Interest Rate*	Maturity Date	Value (Note 1a)
Commercial Paper--Discount (concluded)				
Nomura Holding America Inc.	\$ 25,000	6.17 %	5/04/95	\$ 24,975
	45,000	6.07	5/17/95	44,856
	25,000	6.07	5/30/95	24,865
PHH Corporation	34,950	5.98	5/08/95	34,892
Paribas Finance Inc.	100,000	5.96	6/01/95	99,437
Pitney-Bowes Credit Corporation	11,950	6.05	9/11/95	11,676
Preferred	20,450	5.99	5/24/95	20,362

Receivables Funding Corp.				
Premium Funding, Inc., Series A	30,405	6.08	5/05/95	30,369
Sheffield Receivables Corp.	60,000	6.00	5/01/95	59,970
Svenska Handelsbanken, Inc.	17,000 30,000	6.05 6.03	5/30/95 7/21/95	16,908 29,578
Transamerica Finance Corp.	20,000	6.05	10/16/95	19,422
USL Capital Corp.	6,000	6.02	5/09/95	5,989
Unilever PLC	40,000	6.30	7/31/95	39,370
Vattenfall Treasury AB	25,000	6.32	8/16/95	24,538
Vermont American Corp.	8,907	6.00	5/11/95	8,888
WCP Funding, Inc.	20,400	6.03	7/19/95	20,120
Windmill Funding Corp.	72,000 48,486	5.99 5.97	5/31/95 6/09/95	71,605 48,148
Total Commercial Paper--Discount (Cost--\$2,502,962)				2,503,137

Corporate Notes--1.5%

Abbey National N.A. Corp.	24,000	7.05	3/01/96	24,072
Bank One Diversified Corporation	20,000	6.025	5/02/95	19,999
General Electric Capital Corp.	55,000 20,000	6.95 6.55	3/01/96 3/28/96	55,127 19,970
Total Corporate Notes (Cost--\$118,964)				119,168

SCHEDULE OF INVESTMENTS (continued) (in Thousands)

Issue	Face Amount	Interest Rate*	Maturity Date	Value (Note 1a)
Master Notes--3.3%				
Goldman Sachs Group, L.P.	\$ 175,000 34,000	6.07 % 6.00	5/26/95 11/24/95	\$ 175,000 34,000
Smith Barney Inc.	49,000	6.05	6/09/95	49,000
Total Master Notes (Cost--\$258,000)				258,000

US Government, Agency & Instrumentality Obligations--  
Discount Notes--16.4%

Federal Farm Credit Bank	2,000	5.03	5/16/95	1,994
Federal Home Loan Bank	25,000 117,000 105,645	6.20 4.625 6.14	6/26/95 8/09/95 1/03/96	24,757 116,497 101,228

	50,000	6.02	1/12/96	47,834
	25,000	6.91	2/21/96	25,098
	18,000	6.07	4/01/96	16,971
	5,000	5.97	4/11/96	4,706
	25,000	5.98	4/19/96	23,495
	45,000	6.42	4/24/96	44,960
	22,000	7.10	4/03/97	22,000
Federal Home	84,000	4.635	8/09/95	83,656
Loan Mortgage	6,500	6.44	11/01/95	6,298
Corp.	69,500	6.84	2/28/96	69,688
	25,000	6.07	3/22/96	23,615
	30,000	6.45	4/08/96	29,982
Federal National	87,000	6.10	5/03/95	86,928
Mortgage	15,000	5.76	5/09/95	14,973
Association	25,000	5.92	8/02/95	24,605
	20,000	6.18	8/08/95	19,664
	26,705	6.86	2/28/96	26,774
	70,000	6.46	3/27/96	69,958
	20,000	6.60	10/07/96	20,046
US Treasury Bills	75,000	6.365	7/13/95	74,102
	50,000	6.325	7/20/95	49,346
	10,000	5.466	8/24/95	9,811
	15,000	6.72	12/14/95	14,438
	102,000	6.589	2/08/96	97,203
	25,000	6.02	4/04/96	23,592
	125,000	5.875	5/02/96	117,467
Total US Government, Agency &				
Instrumentality Obligations--Discount Notes				
(Cost--\$1,291,757)				1,291,686

SCHEDULE OF INVESTMENTS (concluded) (in Thousands)

Issue	Face Amount	Interest Rate*	Maturity Date	Value (Note 1a)
US Government, Agency & Instrumentality Obligations--				
Non-Discount Notes--34.9%				
Federal Home	\$ 42,000	6.43 %	6/21/95	\$ 42,000
Loan Bank++	60,000	6.43	12/28/95	60,000
	70,000	6.46	6/17/96	70,000
	29,000	6.46	6/21/96	29,000
	15,000	5.885	8/05/96	14,970
	25,000	6.58	2/18/97	25,055
Federal Home	34,000	6.37	9/01/95	33,999
Loan Mortgage	15,500	6.33	5/06/96	15,500
Corp.++	21,850	6.25	6/03/96	21,804
	55,000	6.45	6/07/96	54,981
	16,000	6.50	5/13/98	16,000
Federal National	77,000	5.82	6/01/95	76,999
Mortgage	125,000	6.09	8/23/95	125,000
Association++	80,000	6.09	8/25/95	79,997
	100,000	6.06	9/22/95	99,988
	115,000	6.09	10/16/95	114,970
	30,000	6.40	12/20/95	30,000
	50,000	6.37	1/26/96	49,965
	100,000	6.00	2/16/96	100,000
	50,000	5.99	5/10/96	49,976
	98,000	6.33	5/13/96	98,000
	80,000	6.33	5/24/96	80,000
	45,000	6.005	7/18/96	44,957
	40,000	6.33	8/13/96	40,000
	150,000	6.03	10/11/96	150,000
	30,000	6.60	2/14/97	30,086
	123,000	6.06	2/21/97	123,000
	68,500	6.45	5/19/97	68,500
	71,000	6.50	5/14/98	71,000
	22,150	6.15	12/14/98	22,083
Student Loan	73,850	6.14	6/02/95	73,862
Marketing	20,000	6.07	6/30/95	20,002



Association++	70,000	6.19	8/07/95	70,001
	8,000	6.19	3/20/96	8,000
	25,930	6.06	4/16/96	25,949

SCHEDULE OF INVESTMENTS (concluded) (in Thousands)

Issue	Face Amount	Interest Rate*	Maturity Date	Value (Note 1a)
US Government, Agency & Instrumentality Obligations-- Non-Discount Notes (concluded)				
Student Loan	\$ 53,750	6.02 %	5/14/96	\$ 53,757
Marketing	15,000	5.99	7/19/96	15,002
Association++	125,000	6.03	9/20/96	125,000
(concluded)	50,000	5.99	9/23/96	50,000
	11,830	6.24	11/01/96	11,873
	59,415	6.05	12/20/96	59,415
	45,000	6.20	1/14/97	45,020
	37,125	6.24	1/23/97	37,245
	25,000	6.16	3/03/97	25,000
	67,075	6.19	1/21/98	67,330
US Treasury	25,000	4.25	7/31/95	24,891
Notes	48,000	3.875	8/31/95	47,662
	5,000	3.875	10/31/95	4,944
	24,000	5.875	5/31/96	23,865
	7,000	6.25	8/31/96	6,976
	20,000	6.50	9/30/96	20,006
	20,000	6.875	10/31/96	20,100
	31,000	7.25	11/30/96	31,320
	15,000	7.50	12/31/96	15,220
	20,000	6.875	2/28/97	20,094

Total US Government, Agency & Instrumentality  
Obligations--Non-Discount Notes  
(Cost--\$2,740,086 ) 2,740,364

Face  
Amount Issue

Repurchase Agreements\*\*--1.9%

\$ 150,000 Fuji Securities, Inc., purchased on  
4/28/1995 to yield 5.95% to 5/01/1995 150,000

Total Repurchase Agreements  
(Cost--\$150,000) 150,000

Total Investments (Cost--\$8,095,558)--103.0% 8,095,944

Liabilities in Excess of Other Assets--(3.0%) (234,796)

Net Assets--100.0% \$7,861,148  
=====

[FN]

\*Commercial Paper and certain US Government, Agency & Instrumentality Obligations are traded on a discount basis; the interest rates shown are the discount rates paid at the time of purchase by the Fund. Other securities bear interest at the rates shown, payable at fixed dates or upon maturity. Interest rates on variable rate securities are adjusted periodically based upon appropriate indexes. The interest rates shown are the rates in effect at April 30, 1995.

\*\*Repurchase Agreements are fully collateralized by US Government Obligations.

++Floating Rate Notes.

See Notes to Financial Statements.

FINANCIAL INFORMATION

<TABLE>			<C>	<C>
Statement of Assets and Liabilities as of April 30, 1995				
<S>	<S>		<C>	<C>
Assets:	Investments, at value (identified cost--\$8,095,558,021*) (Note 1a)			\$8,095,943,652
	Cash			270,210
	Receivables:			
	Securities sold	\$	71,336,236	
	Interest		41,232,166	
	Beneficial interest sold		211,736	112,780,138
			-----	
	Prepaid registration fees and other assets (Note 1d)			273,599
				-----
	Total assets			8,209,267,599
				-----
Liabilities:	Payables:			
	Securities purchased		259,742,628	
	Beneficial interest redeemed		84,931,844	
	Investment adviser (Note 2)		2,293,699	346,968,171
			-----	
	Accrued expenses and other liabilities			1,151,350
				-----
	Total liabilities			348,119,521
				-----
Net Assets:	Net assets			\$7,861,148,078
				=====
Net Assets	Shares of beneficial interest, \$.10 par value, unlimited number of			\$ 786,076,245
Consist of:	shares authorized			7,074,686,202
	Paid-in capital in excess of par			385,631
	Unrealized appreciation on investments--net			-----
	Net assets--Equivalent to \$1.00 per share based on 7,860,762,447 shares			\$7,861,148,078
	of beneficial interest outstanding			=====

<FN>

\*Cost for Federal income tax purposes. As of April 30, 1995, net unrealized appreciation for Federal income tax purposes amounted to \$385,631, of which \$2,434,538 related to appreciated securities and \$2,048,907 related to depreciated securities.

See Notes to Financial Statements.

</TABLE>

FINANCIAL INFORMATION (continued)

<TABLE>  
Statement of Operations  
<CAPTION>

<S>	<S>		<C>	For the Six Months Ended April 30, 1995 <C>
Investment Income	Interest and amortization of premium and discount earned			\$ 216,784,728
(Note 1c):				
Expenses:	Investment advisory fees (Note 2)	\$	14,402,154	
	Transfer agent fees (Note 2)		6,445,325	
	Registration fees (Note 1d)		320,033	
	Printing and shareholder reports		267,935	
	Accounting services (Note 2)		178,623	
	Custodian fees		104,197	
	Professional fees		44,656	
	Trustees' fees and expenses		37,213	
	Other.		44,656	
			-----	
	Total expenses			21,844,792
				-----
	Investment income--net			194,939,936
				-----
Realized & Unreal- ized Gain on	Realized gain on investments			1,194,020
Investments--Net	Change in unrealized appreciation/depreciation on			7,074,809
(Note 1c):	investments--net			-----
	Net Increase in Net Assets Resulting from Operations			\$ 203,208,765

</TABLE>

<TABLE>  
Statements of Changes in Net Assets  
<CAPTION>

		For the Six Months Ended April 30, 1995 <C>	For the Year Ended October 31, 1994 <C>
Increase (Decrease) in Net Assets:			
<S>	<S>		
Operations:	Investment income--net	\$ 194,939,936	\$ 252,806,430
	Realized gain on investments--net	1,194,020	112,929
	Change in unrealized appreciation/depreciation on investments--net	7,074,809	(7,988,665)
	Net increase in net assets resulting from operations	203,208,765	244,930,694
Dividends & Distributions to Shareholders (Note 1e):	Investment income--net	(194,939,936)	(252,806,430)
	Realized gain on investments--net	(1,194,020)	(112,929)
	Net decrease in net assets resulting from dividends and distributions to shareholders	(196,133,956)	(252,919,359)
Beneficial Interest Transactions (Notes 1e & 3):	Net proceeds from sale of shares	11,735,493,855	22,552,419,060
	Net asset value of shares issued to shareholders in reinvestment of dividends and distributions	196,130,634	252,920,548
	Cost of shares redeemed	(11,931,624,489)	(22,805,339,608)
		(11,481,235,202)	(22,459,993,404)
	Net increase in net assets derived from beneficial interest transactions	450,389,287	345,346,204
Net Assets:	Total increase in net assets	457,464,096	337,357,539
	Beginning of period	7,403,683,982	7,066,326,443
	End of period	\$ 7,861,148,078	\$ 7,403,683,982

See Notes to Financial Statements.

</TABLE>

FINANCIAL INFORMATION (concluded)

<TABLE>  
Financial Highlights  
<CAPTION>

The following per share data and ratios have been derived from information provided in the financial statements.

		For the Six Months Ended April 30, 1995 <C>	1994 <C>	For the Year Ended October 31, 1993 <C>	1992 <C>	1991 <C>
Increase (Decrease) in Net Asset Value:						
<S>	<C>					
Per Share Operating Performance:	Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
	Investment income--net	.0261	.0345	.0279	.0370	.0609
	Realized and unrealized gain (loss) on investments--net	.0011	(.0011)	.0004	.0012	.0025
	Total from investment operations	.0272	.0334	.0283	.0382	.0634
	Less dividends and distributions:					
	Investment income--net	(.0261)	(.0345)	(.0279)	(.0370)	(.0609)
	Realized gain on investments--net	(.0002)	--++	(.0003)	(.0010)	(.0025)**
	Total dividends and distributions	(.0263)	(.0345)	(.0282)	(.0380)	(.0634)
	Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
	Total investment return	2.69%+++	3.48%	2.86%	3.95%	6.54%
Ratios to Average Expenses		.59%*	.59%	.62%	.63%	.64%

Net Assets:		=====	=====	=====	=====	=====
	Investment income and realized gain on investments--net	5.33%*	3.44%	2.82%	3.88%	6.30%**
		=====	=====	=====	=====	=====
Supplemental Data:	Net assets, end of period (in thousands)	\$7,861,148	\$7,403,684	\$7,066,326	\$6,474,640	\$6,485,985
		=====	=====	=====	=====	=====

<FN>

\*Annualized.  
 \*\*Includes unrealized gain (loss).  
 ++Amount is less than \$.0001 per share.  
 +++Aggregate total investment return.

See Notes to Financial Statements.

</TABLE>

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies:

Merrill Lynch Retirement Reserves Money Fund (the "Fund") is a separate Fund offering a separate class of shares of Merrill Lynch Retirement Series Trust (the "Trust"). The Trust is registered under the Investment Company Act of 1940 as a diversified, open-end management investment company which will comprise a series of separate portfolios offering a separate class of shares to participants in the retirement plans for which Merrill Lynch, Pierce, Fenner & Smith Inc. ("MLPF&S") acts as passive custodian. At the present time, the Fund is the only series offered. These unaudited financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim period presented. All such adjustments are of a normal recurring nature. The following is a summary of significant accounting policies consistently followed by the Fund.

(a) Valuation of investments--Investments maturing more than sixty days after the valuation date are valued at the most recent bid price or yield equivalent as obtained from dealers that make markets in such securities. When securities are valued with sixty days or less to maturity, the difference between the valuation existing on the sixty-first day before maturity and maturity value is amortized on a straight-line basis to maturity. Investments maturing within sixty days from their date of acquisition are valued at amortized cost, which approximates market value.

For the purposes of valuations, the maturity of variable rate certificates of deposit, variable rate commercial paper, short-term corporate bond notes and variable rate Government agency notes and variable rate corporate notes is deemed to be the next coupon date on which the interest rate is to be adjusted. Assets for which market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Trustees.

(b) Income taxes--It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Therefore, no Federal income tax provision is required.

(c) Security transaction and investment income--Security transactions are recorded on the dates the transactions are entered into (the trade dates). Interest income (including amortization of premium and discount) is recognized on the accrual basis. Realized gains and losses on security transactions are determined on the identified cost basis.

(d) Prepaid registration fees--Prepaid registration fees are charged to expense as the related shares are issued.

(e) Dividends to shareholders--The Fund declares dividends daily and reinvests daily such dividends in additional fund shares at net asset value. Dividends are declared from the total of net investment income and net realized gains or losses on investments.

2. Investment Advisory Agreement and

Transactions with Affiliates:

The Fund has entered into an Investment Advisory Agreement with Merrill Lynch Asset Management, L.P. ("MLAM"). The general partner of MLAM is Princeton Services, Inc. ("PSI"), an indirect wholly-owned subsidiary of Merrill Lynch & Co., Inc. ("ML & Co."), which is the limited partner. The Fund has also entered into a Distribution Agreement and a Distribution Plan with Merrill Lynch Funds Distributor, Inc. ("MLFD" or "Distributor"), a wholly-owned subsidiary of Merrill Lynch Group, Inc.

NOTES TO FINANCIAL STATEMENTS (concluded)

MLAM is responsible for the management of the Fund's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. For such services, the Fund pays a monthly fee based upon the average daily value of the Fund's net assets at the following annual rates: 0.50% of the Fund's average daily net assets not exceeding \$1 billion; 0.45% of average daily net asset in excess of \$1 billion but not exceeding \$2 billion; 0.40% of average daily net assets in excess of \$2 billion but not exceeding \$3 billion; 0.375% of average daily net assets in excess of \$3 billion but not exceeding \$4 billion; 0.35% of average daily net assets in excess of \$4 billion, but not exceeding \$7 billion; and 0.325% of average daily net assets in excess of \$7 billion. The most restrictive annual expense limitation requires that MLAM reimburse the Fund to the extent the Fund's expenses (excluding interest, taxes, distribution fees, brokerage fees and commissions, and extraordinary charges such as litigation costs) exceed 2.5% of the Fund's first \$30 million of average daily net assets, 2.0% of the next \$70 million of average daily net assets and 1.5% of the remaining average daily net assets. The Manager's obligation to reimburse the Fund is limited to the amount of the management fee. No fee payment will be made to MLAM during the period which will cause such expenses to exceed the most restrictive expense limitation at the time of such payment.

Merrill Lynch Financial Data Services, Inc. ("FDS"), a wholly-owned subsidiary of ML & Co., is the Fund's transfer agent.

Accounting services are provided to the Fund by MLAM at cost.

Certain officers and/or trustees of the Trust are officers and/or directors of MLAM, FDS, PSI, MLFD, MLPF&S, and/or ML & Co.

3. Shares of Beneficial Interest:

The number of shares purchased and redeemed during the periods corresponds to the amounts included in the Statements of Changes in Net Assets, since shares are recorded at \$1.00 per share.

OFFICERS AND TRUSTEES

Arthur Zeikel, President and Trustee  
Joe Grills, Trustee  
Walter Mintz, Trustee  
Melvin R. Seiden, Trustee  
Stephen B. Swensrud, Trustee  
Harry Woolf, Trustee  
Terry K. Glenn, Executive Vice President  
Joseph T. Monagle, Jr., Senior Vice President  
Christopher G. Ayoub, Vice President  
Donald C. Burke, Vice President  
Gerald M. Richard, Treasurer  
Mark B. Goldfus, Secretary

Custodian  
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New York, New York 10286

Transfer Agent  
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4800 Deer Lake Drive East  
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