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**E*TRADE FINANCIAL CORPORATION REPORTS MONTHLY ACTIVITY FOR
OCTOBER 2006**

New York, November 15, 2006 – E*TRADE FINANCIAL Corporation (NYSE: ET) today released its Monthly Activity Report for October. The Company's total retail client assets increased 3.6 percent sequentially, totaling \$191.4 billion. End of period margin debt balances increased 2.0 percent sequentially to approximately \$6.6 billion, with average margin debt balances increasing nearly 1.0 percent to approximately \$6.5 billion. Total Daily Average Revenue Trades were 151,665. Gross new retail accounts for the month totaled 72,512 – resulting in total end-of-period active retail accounts of 4,420,650.

“October's key performance drivers reflect our success in attracting and retaining customers within our highest value segments,” said R. Jarrett Lilien, President and Chief Operating Officer, E*TRADE FINANCIAL Corporation. “As we continue to drive growth and greater engagement with the target customer base, we experience increases in client assets per account, deposits per account and trades per account.”

(more)

Monthly Activity Data

	Oct-06	Sep-06	Oct-06 vs. Sep-06	Qtr Ended 09/30/06	Oct-06 vs. Qtr Ended 09/30/06
Trading days	22.0	20.0	N.M.	62.5	N.M.
<u>Daily Average Revenue Trades ("DARTs")</u>					
US	130,042	119,865	8.5 %	116,459	11.7 %
International	21,623	20,364	6.2 %	18,671	15.8 %
Total DARTs	151,665	140,229	8.2 %	135,130	12.2 %
<u>Market Making</u>					
Equity shares traded (MM)	14,910	12,601	18.3 %	54,472	N.M.
Average revenue capture per 1,000 equity shares	\$0.551	\$0.538	2.4 %	\$0.382	44.2 %
<u>Gross New Retail Accounts</u>					
Trading/investing accounts	52,042	45,311	N.M.	151,344	N.M.
Deposit/lending accounts	20,470	21,233	N.M.	102,658	N.M.
Total gross new retail accounts	72,512	66,544	N.M.	254,002	N.M.
<u>End of Period Retail Accounts</u>					
Trading/investing accounts	3,618,601	3,627,414	(0.2)%	3,627,414	(0.2)%
Deposit/lending accounts	802,049	799,416	0.3 %	799,416	0.3 %
Total end of period retail accounts	4,420,650	4,426,830	(0.1)%	4,426,830	(0.1)%
End of period margin debt (\$MM)	\$6,551	\$6,424	2.0 %	\$6,424	2.0 %
Average margin debt (\$MM)	\$6,491	\$6,436	0.9 %	\$6,659	(2.5)%
<u>Retail Client Assets (\$MM)</u>					
Client assets in trading/investing accounts	\$169,210	\$163,002	3.8 %	\$163,002	3.8 %
Client assets in deposit accounts	22,222	21,752	2.2 %	21,752	2.2 %
Total retail client assets	\$191,432	\$184,754	3.6 %	\$184,754	3.6 %

Historical monthly metric data from January 2003 to October 2006 can be found on the E*TRADE FINANCIAL investor relations site at www.etrade.com.

About E*TRADE FINANCIAL

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