SUPPLEMENT

Jefferies

Jefferies Group LLC

U.S.$2,500,000,000 Euro Medium Term Note Programme

This Second Supplement dated 18 October 2019 (this "**Supplement**") to the Base Prospectus dated 5 July 2019 (the "**Base Prospectus**") (as supplemented by the First Supplement dated 14 August 2019) is prepared in connection with the U.S.$2,500,000,000 Euro Medium Term Note Programme (the "**Programme**") established by Jefferies Group LLC (the "**Issuer**").

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This document constitutes a Supplement for the purposes of the Prospectus Directive. References herein to this document are to this Supplement including the document annexed hereto. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement, is in accordance with the facts and does not omit anything likely to affect the import of such information.

A copy of the Issuer's quarterly report on Form 10-Q as filed with the United States Securities and Exchange Commission on 8 October 2019, has been filed with the Central Bank and is annexed as Annex 1 hereto.

Any statement contained in the Base Prospectus or a document incorporated by reference in the Base Prospectus shall be considered to be modified or superseded to the extent that a statement contained or incorporated by reference in this Supplement or in any other subsequently filed document that is incorporated by reference in the Base Prospectus modifies or supersedes such statement.

Certain statements included or incorporated by reference herein may constitute "forward looking statements". Forward-looking statements include statements about the Issuer's future and statements that are not historical facts. These forward-looking statements are usually preceded by the words "believe," "intend," "may," "will," or similar expressions. Forward-looking statements may contain expectations regarding revenues, earnings, operations and other financial projections, and may include statements of future performance, plans and objectives. Forward-looking statements also include statements pertaining to the Issuer's strategies for future development of its business and products. Forward-looking statements represent only the Issuer's belief regarding future events, many of which by their nature are inherently uncertain. It is possible that the actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements. Information regarding important factors that could cause actual results to differ, perhaps materially, from those in

the Issuer's forward looking statements is contained in the Base Prospectus and other documents the Issuer files.

Any forward-looking statement speaks only as of the date on which that statement is made. The Issuer will not update any forward looking statement to reflect events or circumstances that occur after the date on which the statement is made, except as required by applicable law.

Where there is any inconsistency among the Base Prospectus and this Supplement, the language used in this Supplement shall prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of this Supplement.

Save as disclosed in this Supplement, there has been no significant change in the financial or trading position of the Issuer and its subsidiaries, taken as a whole, since 31 August 2019. Save as disclosed in the Base Prospectus and this Supplement, there has been no material adverse change in the prospects of the Issuer and its subsidiaries taken as a whole since 30 November 2018.

Annex 1

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended August 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 1-14947

JEFFERIES GROUP LLC
(Exact name of registrant as specified in its charter)

Delaware	**95-4719745**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
520 Madison Avenue, New York, New York	**10022**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (212) 284-2550

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
4.850% Senior Notes Due 2027	JEF/27A	New York Stock Exchange
5.125% Senior Notes Due 2023	JEF/23	New York Stock Exchange

The Registrant is a wholly-owned subsidiary of Jefferies Financial Group Inc. and meets the conditions set forth in General Instructions H(1)(a) and (b) of Form 10-Q and is therefore filing this Form 10-Q with a reduced disclosure format as permitted by Instruction H(2).

JEFFERIES GROUP LLC
INDEX TO QUARTERLY REPORT ON FORM 10-Q
August 31, 2019

PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

JEFFERIES GROUP LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)
(In thousands)

	August 31, 2019	November 30, 2018
ASSETS		
Cash and cash equivalents ($1,151 and $1,096 at August 31, 2019 and November 30, 2018, respectively, related to		

consolidated VIEs)	$ 4,665,490	$ 5,145,886
Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations	658,335	707,960
Financial instruments owned, at fair value (including securities pledged of $12,087,982 and $13,059,802 at August 31, 2019 and November 30, 2018, respectively; and $339 and $380 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	16,370,912	16,399,526
Loans to and investments in related parties	943,174	997,524
Securities borrowed	7,895,149	6,538,212
Securities purchased under agreements to resell (includes $25,000 and $0 at fair value at August 31, 2019 and November 30, 2018, respectively)	4,499,995	2,785,758
Receivables:		
Brokers, dealers and clearing organizations	2,927,789	3,218,984
Customers	1,686,214	2,017,090
Fees, interest and other	350,663	327,083
Premises and equipment	323,510	304,026
Goodwill	1,638,574	1,642,170
Other assets ($2 at both August 31, 2019 and November 30, 2018, related to consolidated VIEs)	1,133,783	1,084,554
Total assets	$ 43,093,588	$ 41,168,773
LIABILITIES AND EQUITY		
Short-term borrowings	$ 518,914	$ 387,492
Financial instruments sold, not yet purchased, at fair value	10,296,315	9,478,944
Collateralized financings:		
Securities loaned	2,182,865	1,838,688
Securities sold under agreements to repurchase	8,236,981	8,643,069
Other secured financings (includes $1,820,800 and $881,472 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	1,821,425	881,472
Payables:		
Brokers, dealers and clearing organizations	2,253,033	2,448,059
Customers	3,599,564	3,176,727
Accrued expenses and other liabilities ($1,306 and $642 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	1,227,798	1,585,635
Long-term debt (includes $1,014,509 and $686,170 at fair value at August 31, 2019 and November 30, 2018, respectively)	6,767,163	6,546,283
Total liabilities	36,904,058	34,986,369
EQUITY		
Member's paid-in capital	6,387,097	6,376,662
Accumulated other comprehensive income (loss):		
Currency translation adjustments	(220,080)	(185,804)
Changes in instrument specific credit risk	20,805	(5,728)
Cash flow hedges	—	470
Additional minimum pension liability	(4,693)	(4,761)
Available-for-sale securities	231	(346)
Total accumulated other comprehensive loss	(203,737)	(196,169)
Total Jefferies Group LLC member's equity	6,183,360	6,180,493
Noncontrolling interests	6,170	1,911
Total equity	6,189,530	6,182,404
Total liabilities and equity	$ 43,093,588	$ 41,168,773

See accompanying notes to consolidated financial statements.

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JEFFERIES GROUP LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)
(In thousands)

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Revenues:				
Commissions and other fees	$ 171,003	$ 162,700	$ 493,843	$ 482,194
Principal transactions	148,873	143,308	632,002	498,583
Investment banking	412,533	465,326	1,128,216	1,405,614
Asset management fees	3,340	5,184	14,559	16,130
Interest	383,596	305,347	1,163,022	870,490
Other	22,286	6,420	79,354	58,678
Total revenues	1,141,631	1,088,285	3,510,996	3,331,689
Interest expense	364,472	310,670	1,146,268	910,271
Net revenues	777,159	777,615	2,364,728	2,421,418
Non-interest expenses:				
Compensation and benefits	411,936	428,033	1,261,506	1,327,760
Non-compensation expenses:				
Floor brokerage and clearing fees	54,247	45,745	168,698	135,808
Technology and communications	86,649	76,877	247,464	222,335
Occupancy and equipment rental	29,300	25,559	87,587	75,143
Business development	36,526	39,733	103,430	124,233
Professional services	42,379	35,316	117,372	101,715
Underwriting costs	14,647	20,528	36,045	47,832
Other	18,400	18,723	41,828	54,888
Total non-compensation expenses	282,148	262,481	802,424	761,954
Total non-interest expenses	694,084	690,514	2,063,930	2,089,714
Earnings before income taxes	83,075	87,101	300,798	331,704
Income tax expense	18,250	26,923	79,789	234,337
Net earnings	64,825	60,178	221,009	97,367
Net earnings (loss) attributable to noncontrolling interests	(143)	(4)	140	(1)
Net earnings attributable to Jefferies Group LLC	$ 64,968	$ 60,182	$ 220,869	$ 97,368

See accompanying notes to consolidated financial statements.

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JEFFERIES GROUP LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(In thousands)

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net earnings	$ 64,825	$ 60,178	$ 221,009	$ 97,367
Other comprehensive income (loss), net of tax:				
Currency translation adjustments and other (1)	(28,023)	(26,050)	(34,208)	(71,219)
Changes in instrument specific credit risk (2)	5,889	1,067	26,533	8,971
Cash flow hedges (3)	—	85	(470)	1,382
Unrealized gain on available-for-sale securities (4)	198	—	577	—
Total other comprehensive loss, net of tax (5)	(21,936)	(24,898)	(7,568)	(60,866)
Comprehensive income	42,889	35,280	213,441	36,501
Net earnings (loss) attributable to noncontrolling interests	(143)	(4)	140	(1)
Comprehensive income attributable to Jefferies Group LLC	$ 43,032	$ 35,284	$ 213,301	$ 36,502

(1) The amounts during the three and nine months ended August 31, 2019 include income tax benefits of $8.9 million and $10.6 million respectively, compared with $2.8 million in both the three and nine months ended August 31, 2018, related to the impact of certain discrete items related to tax planning for our non-U.S. subsidiaries in connection with the Tax Cuts and Jobs Act (the "Tax Act"). The amount during the nine months ended August 31, 2018 includes $5.3 million related to the transfer of the German Pension Plan, which was reclassified to Compensation and benefits expenses within the Consolidated Statements of Earnings and ($0.8) million related to the Tax Act, which was reclassified to Member's paid-in capital and a gain of $20.5 million related to foreign currency gains, which was reclassified to Other revenues within the Consolidated Statements of Earnings.

(2) The amounts include income tax expenses of approximately $2.0 million and $9.0 million for the three and nine months ended August 31, 2019, respectively, and income tax expenses of approximately $0.3 million and $11.0 million for the three and nine months ended August 31, 2018, respectively. The amount during the nine months ended August 31, 2019 also includes gains of $0.5 million, net of taxes of $0.2 million, related to changes in instrument specific risk, which was reclassified to Principal transactions revenues within the Consolidated Statements of Earnings. The amounts during the three and nine months ended August 31, 2018 also include gains of $0.1 million and $0.4 million, net of taxes of $0.1 million, respectively, related to changes in instrument specific risk, which was reclassified to Principal transactions revenues within the Consolidated Statements of Earnings. The amount during the nine months ended August 31, 2018 includes ($6.5) million related to the Tax Act, which was reclassified to Member's paid-in capital.

(3) The amount during the nine months ended August 31, 2019 includes income tax benefits of $0.2 million. The cash flow hedge loss of $0.5 million during the nine months ended August 31, 2019 was reclassified to Other revenues within the Consolidated Statement of Earnings due to the sale of all of our common shares of Epic Gas Ltd. ("Epic Gas"). Refer to Note 9, Investments for further information. The amount during the nine months ended August 31, 2018 includes income tax expenses of $0.7 million. The amount during the nine months ended August 31, 2018 also includes ($0.2) million related to the Tax Act, which was reclassified to Member's paid-in capital.

(4) The amount during the nine months ended August 31, 2019 includes income tax expense of approximately $0.2 million.

(5) None of the components of other comprehensive loss are attributable to noncontrolling interests.

See accompanying notes to consolidated financial statements.

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JEFFERIES GROUP LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(In thousands)

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Member's paid-in capital:				
Balance, beginning of period	$ 6,354,613	$ 5,715,628	$ 6,376,662	$ 5,895,601
Cumulative effect of the adoption of the new revenue standard, net of tax	—	—	—	(6,121)
Net earnings attributable to Jefferies Group LLC	64,968	60,182	220,869	97,368
Distributions to Jefferies Financial Group Inc.	(32,484)	(30,091)	(210,434)	(248,684)
Tax Cuts and Jobs Act adjustment	—	—	—	7,555
Balance, end of period	$ 6,387,097	$ 5,745,719	$ 6,387,097	$ 5,745,719
Accumulated other comprehensive income (loss), net of tax:				
Balance, beginning of period	$ (181,801)	$ (172,747)	$ (196,169)	$ (136,779)
Currency translation adjustments and other	(28,023)	(26,050)	(34,208)	(71,219)
Changes in instrument specific credit risk	5,889	1,067	26,533	8,971
Cash flow hedges	—	85	(470)	1,382
Unrealized gain on available-for-sale securities	198	—	577	—
Balance, end of period	$ (203,737)	$ (197,645)	$ (203,737)	$ (197,645)
Total Jefferies Group LLC member's equity	$ 6,183,360	$ 5,548,074	$ 6,183,360	$ 5,548,074
Noncontrolling interests:				
Balance, beginning of period	$ 6,313	$ 750	$ 1,911	$ 737
Net earnings (loss) attributable to noncontrolling interests	(143)	(4)	140	(1)
Contributions	—	—	6,600	10
Distributions	—	—	(2,481)	—
Consolidation of asset management entity	—	8,316	—	8,316
Balance, end of period	$ 6,170	$ 9,062	$ 6,170	$ 9,062

Total equity	$ 6,189,530	$ 5,557,136	$ 6,189,530	$ 5,557,136

See accompanying notes to consolidated financial statements.

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JEFFERIES GROUP LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In thousands)

	Nine Months Ended August 31,	
	2019	**2018**
Cash flows from operating activities:		
Net earnings	$ 221,009	$ 97,367
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization	24,626	10,208
Income on loans to and investments in related parties	(71,615)	(30,687)
Distributions received on investments in related parties	126,504	2,330
Other adjustments	81,362	(96,359)
Net change in assets and liabilities:		
Securities deposited with clearing and depository organizations	(153)	64,890
Receivables:		
Brokers, dealers and clearing organizations	268,337	(27,967)
Customers	330,869	(388,076)
Fees, interest and other	(27,007)	64,563
Securities borrowed	(1,410,295)	309,722
Financial instruments owned	(102,577)	(1,115,411)
Securities purchased under agreements to resell	(1,772,192)	(53,020)
Other assets	(74,840)	117,440
Payables:		
Brokers, dealers and clearing organizations	(169,021)	(260,193)
Customers	422,840	523,611
Securities loaned	387,016	(275,629)
Financial instruments sold, not yet purchased	921,282	52,196
Securities sold under agreements to repurchase	(346,031)	1,250,575
Accrued expenses and other liabilities	(323,548)	(392,471)
Net cash used in operating activities	(1,513,434)	(146,911)
Cash flows from investing activities:		
Contributions to loans to and investments in related parties	(26,849)	(1,918,500)
Distributions from loans to and investments in related parties	24,629	1,873,000
Net payments on premises and equipment	(71,392)	(52,699)
Consolidation of asset management entity	—	130
Net cash used in investing activities	(73,612)	(98,069)

Continued on next page.

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CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED (UNAUDITED)
(In thousands)

	Nine Months Ended August 31,	
	2019	**2018**
Cash flows from financing activities:		
Proceeds from short-term borrowings	1,418,000	616,283
Payments on short-term borrowings	(1,221,000)	(669,466)
Proceeds from issuance of long-term debt, net of issuance costs	908,332	1,321,714
Repayment of long-term debt	(756,614)	(1,025,563)
Distributions to Jefferies Financial Group Inc.	(208,647)	(218,593)
Net proceeds from other secured financings	939,953	282,714
Net change in bank overdrafts	(9,028)	2,369
Proceeds from contributions of noncontrolling interests	6,600	10
Payments on distributions to noncontrolling interests	(2,481)	—
Net cash provided by financing activities	1,075,115	309,468
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(18,243)	(16,084)
Net increase (decrease) in cash, cash equivalents and restricted cash	(530,174)	48,404
Cash, cash equivalents and restricted cash at beginning of period	5,819,027	5,642,776
Cash, cash equivalents and restricted cash at end of period	$ 5,288,853	$ 5,691,180
Supplemental disclosures of cash flow information:		
Cash paid during the period for		
Interest	$ 1,205,380	$ 1,001,307
Income taxes, net	72,925	152,600

The following presents our cash, cash equivalents and restricted cash by category within the Consolidated Statements of Financial Condition (in thousands):

	August 31, 2019	November 30, 2018
Cash and cash equivalents	$ 4,665,490	$ 5,145,886
Cash and securities segregated and on deposit for regulatory purposes with clearing and depository organizations	623,363	673,141
Total cash, cash equivalents and restricted cash	$ 5,288,853	$ 5,819,027

See accompanying notes to consolidated financial statements.

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JEFFERIES GROUP LLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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JEFFERIES GROUP LLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

Note 1. Organization and Basis of Presentation

Organization

Jefferies Group LLC is the largest independent U.S.-headquartered global full service, integrated securities and investment banking firm. The accompanying Consolidated Financial Statements represent the accounts of Jefferies Group LLC and all our subsidiaries (together “we” or “us”). The subsidiaries of Jefferies Group LLC include Jefferies LLC, Jefferies International Limited, Jefferies Hong Kong Limited, Jefferies Financial Services, Inc., Jefferies Funding LLC, Jefferies Leveraged Credit Products, LLC and all other entities in which we have a controlling financial interest or are the primary beneficiary.

Jefferies Group LLC is a direct wholly owned subsidiary of publicly traded Jefferies Financial Group Inc. (“Jefferies”). Jefferies does not guarantee any of our outstanding debt securities. Jefferies Group LLC is a Securities and Exchange Commission (“SEC”) reporting company, filing annual, quarterly and periodic financial reports. Richard Handler, our Chief Executive Officer and Chairman, is the Chief Executive Officer of Jefferies, as well as a Director of Jefferies. Brian P. Friedman, our Chairman of the Executive Committee, is Jefferies’ President and a Director of Jefferies.

On October 1, 2018, Jefferies transferred its 50% interest in Berkadia Commercial Mortgage Holding LLC (“Berkadia”) and investments in certain separately managed accounts and funds to us. On November 1, 2018, we purchased Leucadia Investment Management Limited, an investment advisory company, from Leucadia Asset Management Holding LLC, a subsidiary of Jefferies. These transfers were accomplished as capital contributions from Jefferies of approximately $598.2 million and total cash payments of $76.0 million to Jefferies during the fourth quarter of 2018. In connection with these transfers, related deferred tax liabilities of approximately $50.9 million were transferred to us, for which Jefferies has indemnified us.

We operate in two reportable business segments, Capital Markets and Asset Management. For further information on our reportable business segments, refer to Note 18, Segment Reporting.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) and should be read in conjunction with our consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended November 30, 2018. Certain footnote disclosures included in our Annual Report on Form 10-K for the year ended November 30, 2018 have been condensed or omitted from the consolidated financial statements as they are not required for interim reporting under U.S. GAAP. The Consolidated Financial Statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for the fair presentation of the results for the interim period. The results presented in the Consolidated Financial Statements for interim periods are not necessarily indicative of the results for the entire year.

We have made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period to prepare these consolidated financial statements in conformity with U.S. GAAP. The most important of these estimates and assumptions relate to fair value measurements, compensation and benefits, goodwill and intangible assets, the ability to realize certain deferred tax assets and the recognition and measurement of uncertain tax positions. Although these and other estimates and assumptions are based on the best available information, actual results could be materially different from

these estimates.

During the third quarter of 2019, we have reclassified the presentation of certain other fees, primarily related to prime brokerage services offered to clients. These fees were previously presented as Other revenues in our Consolidated Statements of Earnings and are now presented within Commissions and other fees. Previously reported results are presented on a comparable basis. This change had the impact of increasing Commissions and other fees and reducing Other revenues by $7.2 million and $20.6 million for the three and nine months ended August 31, 2018, respectively. There is no impact on Total revenues as a result of this change in presentation.

Consolidation

Our policy is to consolidate all entities that we control by ownership of a majority of the outstanding voting stock. In addition, we consolidate entities that meet the definition of a variable interest entity ("VIE") for which we are the primary beneficiary. The primary beneficiary is the party who has the power to direct the activities of a VIE that most significantly impact the entity's economic performance and who has an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity. For consolidated entities that are less than wholly owned, the third party's holding of equity interest is presented as Noncontrolling interests in our Consolidated Statements of Financial Condition and Consolidated Statements of Changes in Equity. The portion of net earnings attributable to the noncontrolling interests is presented as Net earnings (loss) attributable to noncontrolling interests in our Consolidated Statements of Earnings.

In situations in which we have significant influence, but not control, of an entity that does not qualify as a VIE, we apply either the equity method of accounting or fair value accounting pursuant to the fair value option election under U.S. GAAP, with our portion of net earnings or gains and losses recorded in Other revenues or Principal transactions revenues, respectively. We also have formed nonconsolidated investment vehicles with third-party investors that are typically organized as partnerships or limited liability companies and are carried at fair value. We act as general partner or managing member for these investment vehicles and have generally provided the third-party investors with termination or "kick-out" rights.

Intercompany accounts and transactions are eliminated in consolidation.

Note 2. Summary of Significant Accounting Policies

For a detailed discussion about the Company's significant accounting policies, see Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

Note 3. Accounting Developments

Accounting Standards to be Adopted in Future Periods

Consolidation. In October 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-17, Consolidation: Targeted Improvements to Related Party Guidance for Variable Interest Entities. The guidance requires indirect interests held through related parties under common control arrangements be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Internal-Use Software. In August 2018, the FASB issued ASU No. 2018-15, Intangibles—Goodwill and Other—Internal-Use Software: Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract. The guidance amends the definition of a hosting arrangement and requires that the customer in a hosting arrangement that is a service contract capitalize certain implementation costs as if the arrangement was an internal-use software project. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Defined Benefit Plans. In August 2018, the FASB issued ASU No. 2018-14, Compensation—Retirement Benefits—Defined Benefit Plans—General: Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans. The objective of the guidance is to improve the effectiveness of disclosure requirements on defined benefit pension plans and other postretirement plans. The guidance is effective in the first quarter of fiscal 2021. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Derivatives and Hedging. In August 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities. The objective of the guidance is to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements. The guidance is effective in the first quarter of fiscal 2020. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Goodwill. In January 2017, the FASB issued ASU No. 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies goodwill impairment testing. The guidance is effective in the first quarter of fiscal 2021. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Financial Instruments—Credit Losses. In June 2016, the FASB issued ASU No. 2016-13, Measurement of Credit Losses on Financial Instruments. The guidance provides for estimating credit losses on certain types of financial instruments by introducing an approach based on expected losses. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

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Leases. In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). The guidance affects the accounting for leases and provides for a lessee model that brings substantially all leases that are longer than one year onto the balance sheet, which will result in the recognition of a right of use asset and a corresponding lease liability. The right of use asset and lease liability will be measured initially using the present value of the remaining rental payments. The population of contracts that will be subject to recognition on our Consolidated Statements of Financial Condition has been identified; however, the initial measurement of the contracts still remains under evaluation. We are currently modifying our lease accounting systems to enable us to comply with the accounting requirements of this guidance. In July 2018, the FASB issued ASU No. 2018-11, Leases: Targeted Improvements. The guidance allows an entity to recognize a cumulative-effect adjustment to the opening balance of retained earnings upon adoption of ASU 2016-02. We plan on adopting both lease ASUs in the first quarter of fiscal 2020 with a cumulative-effect adjustment to opening member's equity in the period of adoption. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

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Note 4. Fair Value Disclosures

The following is a summary of our financial assets and liabilities that are accounted for at fair value on a recurring basis, excluding Investments at fair value based on net asset value ("NAV") of $573.5 million and $322.9 million at August 31, 2019 and November 30, 2018, respectively, by level within the fair value hierarchy (in thousands):

	August 31, 2019				
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
Assets:					
Financial instruments owned:					
Corporate equity securities	$ 2,388,213	$ 162,382	$ 50,600	$ —	$ 2,601,195
Corporate debt securities	—	2,892,471	9,288	—	2,901,759
Collateralized debt obligations and collateralized loan obligations	—	114,045	21,135	—	135,180

U.S. government and federal agency securities	2,115,452	204,076	—	—	2,319,528
Municipal securities	—	706,375	—	—	706,375
Sovereign obligations	1,521,540	1,088,927	—	—	2,610,467
Residential mortgage-backed securities	—	1,405,246	17,929	—	1,423,175
Commercial mortgage-backed securities	—	373,319	5,462	—	378,781
Other asset-backed securities	—	490,055	34,598	—	524,653
Loans and other receivables	—	1,460,982	75,563	—	1,536,545
Derivatives	9,258	2,954,937	16,024	(2,494,475)	485,744
Investments at fair value	—	41,548	132,505	—	174,053
Total financial instruments owned, excluding Investments at fair value based on NAV	$ 6,034,463	$ 11,894,363	$ 363,104	$ (2,494,475)	$ 15,797,455
Securities purchased under agreements to resell	$ —	$ —	$ 25,000	$ —	$ 25,000
Liabilities:					
Financial instruments sold, not yet purchased:					
Corporate equity securities	$ 2,750,131	$ 7,097	$ 211	$ —	$ 2,757,439
Corporate debt securities	—	1,803,666	1,202	—	1,804,868
U.S. government and federal agency securities	1,922,145	—	—	—	1,922,145
Sovereign obligations	1,281,332	853,882	—	—	2,135,214
Commercial mortgage-backed securities	—	—	35	—	35
Loans	—	1,097,178	16,630	—	1,113,808
Derivatives	7,327	3,087,898	66,787	(2,599,206)	562,806
Total financial instruments sold, not yet purchased	$ 5,960,935	$ 6,849,721	$ 84,865	$ (2,599,206)	$ 10,296,315
Long-term debt	$ —	$ 666,446	$ 348,063	$ —	$ 1,014,509

(1) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

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	November 30, 2018				
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
Assets:					
Financial instruments owned:					
Corporate equity securities	$ 1,907,945	$ 118,681	$ 51,040	$ —	$ 2,077,666
Corporate debt securities	—	2,683,180	9,484	—	2,692,664
Collateralized debt obligations and collateralized loan obligations	—	72,949	25,815	—	98,764
U.S. government and federal agency securities	1,789,614	56,592	—	—	1,846,206
Municipal securities	—	894,253	—	—	894,253
Sovereign obligations	1,769,556	1,043,409	—	—	2,812,965
Residential mortgage-backed securities	—	2,163,629	19,603	—	2,183,232
Commercial mortgage-backed securities	—	819,406	10,886	—	830,292
Other asset-backed securities	—	239,381	53,175	—	292,556
Loans and other receivables	—	2,056,593	46,985	—	2,103,578
Derivatives	12,186	2,524,988	5,922	(2,412,486)	130,610
Investments at fair value	—	—	113,831	—	113,831
Total financial instruments owned, excluding Investments at fair value based on NAV	$ 5,479,301	$ 12,673,061	$ 336,741	$ (2,412,486)	$ 16,076,617

Liabilities:					
Financial instruments sold, not yet purchased:					
Corporate equity securities	$ 1,685,071	$ 1,444	$ —	$ —	$ 1,686,515
Corporate debt securities	—	1,505,618	522	—	1,506,140
U.S. government and federal agency securities	1,384,295	—	—	—	1,384,295
Sovereign obligations	1,735,242	661,095	—	—	2,396,337
Loans	—	1,371,630	6,376	—	1,378,006
Derivatives	26,471	3,585,249	27,536	(2,511,605)	1,127,651
Total financial instruments sold, not yet purchased	$ 4,831,079	$ 7,125,036	$ 34,434	$ (2,511,605)	$ 9,478,944
Long-term debt	$ —	$ 485,425	$ 200,745	$ —	$ 686,170

(1) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

The following is a description of the valuation basis, including valuation techniques and inputs, used in measuring our financial assets and liabilities that are accounted for at fair value on a recurring basis:

Corporate Equity Securities

- Exchange-Traded Equity Securities: Exchange-traded equity securities are measured based on quoted closing exchange prices, which are generally obtained from external pricing services, and are categorized within Level 1 of the fair value hierarchy, otherwise they are categorized within Level 2 of the fair value hierarchy. To the extent these securities are actively traded, valuation adjustments are not applied.

- Non-Exchange-Traded Equity Securities: Non-exchange-traded equity securities are measured primarily using broker quotations, pricing data from external pricing services and prices observed from recently executed market transactions and are categorized within Level 2 of the fair value hierarchy. Where such information is not available, non-exchange-traded equity securities are categorized within Level 3 of the fair value hierarchy and measured using valuation techniques involving quoted prices of or market data for comparable companies, similar company ratios and multiples (*e.g.*, price/Earnings before interest, taxes, depreciation and amortization ("EBITDA"), price/book value), discounted cash flow analyses and transaction prices observed from subsequent financing or capital issuance by the company. When using pricing data of comparable companies, judgment must be applied to adjust the pricing data to account for differences between the measured security and the comparable security (*e.g.*, issuer market capitalization, yield, dividend rate, geographical concentration).

- Equity Warrants: Non-exchange-traded equity warrants are measured primarily using pricing data from external pricing services, prices observed from recently executed market transactions and broker quotations and are categorized within Level 2 of the fair value hierarchy. Where such information is not available, non-exchange-traded equity warrants are generally categorized within Level 3 of the fair value hierarchy and are measured using the Black-Scholes model with key inputs impacting the valuation including the underlying security price, implied volatility, dividend yield, interest rate curve, strike price and maturity date.

Corporate Debt Securities

- Investment Grade Corporate Bonds: Investment grade corporate bonds are measured primarily using pricing data from external pricing services and broker quotations, where available, prices observed from recently executed market transactions and bond spreads or credit default swap spreads of the issuer adjusted for basis differences between the swap curve and the bond curve. Investment grade corporate bonds measured using these valuation methods are categorized within Level 2 of the fair value hierarchy. If broker quotes, pricing data or spread data is not available, alternative valuation techniques are used including cash flow models incorporating interest rate curves, single name or index credit default swap curves for comparable issuers and recovery rate assumptions. Investment grade corporate bonds measured using alternative valuation techniques are categorized within Level 2 or Level 3 of the fair value hierarchy and are a limited portion of our investment grade corporate bonds.

- High Yield Corporate and Convertible Bonds: A significant portion of our high yield corporate and convertible bonds are categorized within Level 2 of the fair value hierarchy and are measured primarily using broker quotations and pricing data from external pricing services, where available, and prices observed from recently executed market transactions of institutional size. Where pricing data is less observable, valuations are categorized within Level 3 of the fair value hierarchy and are based on pending transactions involving the

issuer or comparable issuers, prices implied from an issuer's subsequent financing or recapitalization, models incorporating financial ratios and projected cash flows of the issuer and market prices for comparable issuers.

Collateralized Debt Obligations and Collateralized Loan Obligations

Collateralized debt obligations ("CDOs") and collateralized loan obligations ("CLOs") are measured based on prices observed from recently executed market transactions of the same or similar security or based on valuations received from third-party brokers or data providers and are categorized within Level 2 or Level 3 of the fair value hierarchy depending on the observability and significance of the pricing inputs. Valuation that is based on recently executed market transactions of similar securities incorporates additional review and analysis of pricing inputs and comparability criteria, including, but not limited to, collateral type, tranche type, rating, origination year, prepayment rates, default rates and loss severity.

U.S. Government and Federal Agency Securities

- U.S. Treasury Securities: U.S. Treasury securities are measured based on quoted market prices obtained from external pricing services and categorized within Level 1 of the fair value hierarchy.

- U.S. Agency Debt Securities: Callable and non-callable U.S. agency debt securities are measured primarily based on quoted market prices obtained from external pricing services and are generally categorized within Level 1 or Level 2 of the fair value hierarchy.

Municipal Securities

Municipal securities are measured based on quoted prices obtained from external pricing services and are generally categorized within Level 2 of the fair value hierarchy.

Sovereign Obligations

Sovereign government obligations are measured based on quoted market prices obtained from external pricing services, where available, or recently executed independent transactions of comparable size. Sovereign government obligations, with consideration given to the country of issuance, are generally categorized within Level 1 or Level 2 of the fair value hierarchy.

Residential Mortgage-Backed Securities

- Agency Residential Mortgage-Backed Securities ("RMBS"): Agency RMBS include mortgage pass-through securities (fixed and adjustable rate), collateralized mortgage obligations and principal-only and interest-only (including inverse interest-only) securities. Agency RMBS are generally measured using recent transactions, pricing data from external pricing services or expected future cash flow techniques that incorporate prepayment models and other prepayment assumptions to amortize the underlying mortgage loan collateral and are categorized within Level 2 or Level 3 of the fair value hierarchy. We use prices observed from recently executed transactions to develop market-clearing spread and yield curve assumptions. Valuation inputs with regard to the underlying collateral incorporate factors such as weighted average coupon, loan-to-value, credit scores, geographic location, maximum and average loan size, originator, servicer and weighted average loan age.

- Non-Agency RMBS: The fair value of non-agency RMBS is determined primarily using discounted cash flow methodologies and securities are categorized within Level 2 or Level 3 of the fair value hierarchy based on the observability and significance of the pricing inputs used. Performance attributes of the underlying mortgage loans are evaluated to estimate pricing inputs, such as prepayment rates, default rates and the severity of credit losses. Attributes of the underlying mortgage loans that affect the pricing inputs include, but are not limited to, weighted average coupon; average and maximum loan size; loan-to-value; credit scores; documentation type; geographic location; weighted average loan age; originator; servicer; historical prepayment, default and loss severity experience of the mortgage loan pool; and delinquency rate. Yield curves used in the discounted cash flow models are based on observed market prices for comparable securities and published interest rate data to estimate market yields. In addition, broker quotes, where available, are also referenced to compare prices primarily on interest-only securities.

Commercial Mortgage-Backed Securities

- Agency Commercial Mortgage-Backed Securities ("CMBS"): Government National Mortgage Association ("GNMA") project loan bonds are measured based on inputs corroborated from and benchmarked to observed prices of recent securitization transactions of similar

securities with adjustments incorporating an evaluation of various factors, including prepayment speeds, default rates and cash flow structures, as well as the likelihood of pricing levels in the current market environment. Federal National Mortgage Association ("FNMA") Delegated Underwriting and Servicing ("DUS") mortgage-backed securities are generally measured by using prices observed from recently executed market transactions to estimate market-clearing spread levels for purposes of estimating fair value. GNMA project loan bonds and FNMA DUS mortgage-backed securities are categorized within Level 2 of the fair value hierarchy.

- Non-Agency CMBS: Non-agency CMBS are measured using pricing data obtained from external pricing services, prices observed from recently executed market transactions or based on expected cash flow models that incorporate underlying loan collateral characteristics and performance. Non-Agency CMBS are categorized within Level 2 or Level 3 of the fair value hierarchy depending on the observability of the underlying inputs.

Other Asset-Backed Securities

Other asset-backed securities ("ABS") include, but are not limited to, securities backed by auto loans, credit card receivables, student loans and other consumer loans and are categorized within Level 2 or Level 3 of the fair value hierarchy. Valuations are primarily determined using pricing data obtained from external pricing services, broker quotes and prices observed from recently executed market transactions. In addition, recent transaction data from comparable deals is deployed to develop market clearing yields and cumulative loss assumptions. The cumulative loss assumptions are based on the analysis of the underlying collateral and comparisons to earlier deals from the same issuer to gauge the relative performance of the deal.

Loans and Other Receivables

- Corporate Loans: Corporate loans categorized within Level 2 of the fair value hierarchy are measured based on market consensus pricing service quotations. Where available, market price quotations from external pricing services are reviewed to ensure they are supported by transaction data. Corporate loans categorized within Level 3 of the fair value hierarchy are measured based on price quotations that are considered to be less transparent, market prices for debt securities of the same creditor and estimates of future cash flows incorporating assumptions regarding creditor default and recovery rates and consideration of the issuer's capital structure.

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- Participation Certificates in Agency Residential Loans: Valuations of participation certificates in agency residential loans are based on observed market prices of recently executed purchases and sales of similar loans and data provider pricing. The loan participation certificates are categorized within Level 2 of the fair value hierarchy given the observability and volume of recently executed transactions and availability of data provider pricing.

- Project Loans and Participation Certificates in GNMA Project and Construction Loans: Valuations of participation certificates in GNMA project and construction loans are based on inputs corroborated from and benchmarked to observed prices of recent securitizations with similar underlying loan collateral to derive an implied spread. Securitization prices are adjusted to estimate the fair value of the loans to account for the arbitrage that is realized at the time of securitization. The measurements are categorized within Level 2 of the fair value hierarchy given the observability and volume of recently executed transactions.

- Consumer Loans and Funding Facilities: Consumer and small business whole loans and related funding facilities are valued based on observed market transactions and incorporating valuation inputs including, but not limited to, delinquency and default rates, prepayment rates, borrower characteristics, loan risk grades and loan age. These assets are categorized within Level 2 or Level 3 of the fair value hierarchy.

- Escrow and Claim Receivables: Escrow and claim receivables are categorized within Level 3 of the fair value hierarchy where fair value is estimated based on reference to market prices and implied yields of debt securities of the same or similar issuers. Escrow and claim receivables are categorized within Level 2 of the fair value hierarchy where fair value is based on recent observations in the same receivable.

Derivatives

- Listed Derivative Contracts: Listed derivative contracts that are actively traded are measured based on quoted exchange prices, broker quotes or vanilla option valuation models, such as Black-Scholes, using observable valuation inputs from the principal market or consensus pricing services. Exchange quotes and/or valuation inputs are generally obtained from external vendors and pricing services. Broker quotes are validated directly through observable and tradeable quotes. Listed derivative contracts that use unadjusted exchange close prices are generally categorized within Level 1 of the fair value hierarchy. All other listed derivative contracts are generally

categorized within Level 2 of the fair value hierarchy.

- Over-the-Counter ("OTC") Derivative Contracts: OTC derivative contracts are generally valued using models, whose inputs reflect assumptions that we believe market participants would use in valuing the derivative in a current transaction. Where available, valuation inputs are calibrated from observable market data. For many OTC derivative contracts, the valuation models do not involve material subjectivity as the methodologies do not entail significant judgment and the inputs to valuation models do not involve a high degree of subjectivity as the valuation model inputs are readily observable or can be derived from actively quoted markets. OTC derivative contracts are primarily categorized within Level 2 of the fair value hierarchy given the observability and significance of the inputs to the valuation models. Where significant inputs to the valuation are unobservable, derivative instruments are categorized within Level 3 of the fair value hierarchy.

  OTC options include OTC equity, foreign exchange, interest rate and commodity options measured using various valuation models, such as Black-Scholes, with key inputs including the underlying security price, foreign exchange spot rate, commodity price, implied volatility, dividend yield, interest rate curve, strike price and maturity date. Discounted cash flow models are utilized to measure certain OTC derivative contracts including the valuations of our interest rate swaps, which incorporate observable inputs related to interest rate curves, valuations of our foreign exchange forwards and swaps, which incorporate observable inputs related to foreign currency spot rates and forward curves and valuations of our commodity swaps and forwards, which incorporate observable inputs related to commodity spot prices and forward curves. Discounted cash flow models are also utilized to measure certain variable funding note swaps, which are backed by CLOs and incorporates constant prepayment rate, constant default rate and loss severity assumptions. Credit default swaps include both index and single-name credit default swaps. Where available, external data is used in measuring index credit default swaps and single-name credit default swaps. For commodity and equity total return swaps, market prices are generally observable for the underlying asset and used as the basis for measuring the fair value of the derivative contracts. Total return swaps executed on other underlyings are measured based on valuations received from external pricing services.

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Investments at Fair Value

Investments at fair value includes investments in hedge funds, fund of funds and private equity funds, which are measured at the NAV of the funds, provided by the fund managers and are excluded from the fair value hierarchy. Investments at fair value also include direct equity investments in private companies, which are measured at fair value using valuation techniques involving quoted prices of or market data for comparable companies, similar company ratios and multiples (*e.g.*, price/EBITDA, price/book value), discounted cash flow analyses and transaction prices observed for subsequent financing or capital issuance by the company. Direct equity investments in private companies are categorized within Level 2 or Level 3 of the fair value hierarchy.

The following tables present information about our investments in entities that have the characteristics of an investment company (in thousands):

	August 31, 2019	
	Fair Value (1)	Unfunded Commitments
Equity Long/Short Hedge Funds (2)	$ 292,205	$ —
Equity Funds (3)	33,891	19,154
Commodity Funds (4)	15,212	—
Multi-asset Funds (5)	231,991	—
Other Funds (6)	158	—
Total	$ 573,457	$ 19,154

	November 30, 2018	
	Fair Value (1)	Unfunded Commitments
Equity Long/Short Hedge Funds (2)	$ 15,338	$ —
Equity Funds (3)	40,070	20,996
Commodity Funds (4)	10,129	—

Multi-asset Funds (5)	256,972	—
Other Funds (6)	400	—
Total	$ 322,909	$ 20,996

(1) Where fair value is calculated based on NAV, fair value has been derived from each of the funds' capital statements.

(2) This category includes investments in hedge funds that invest, long and short, primarily in equity securities in domestic and international markets in both the public and private sectors. At August 31, 2019 and November 30, 2018, approximately 94% and 0%, respectively, of the fair value of investments in this category cannot be redeemed because these investments include restrictions that do not allow for redemption in the first 36 months after acquisition. At August 31, 2019 and November 30, 2018, approximately 6% and 97%, respectively, of the fair value of investments in this category are redeemable quarterly with 60 days prior written notice.

(3) At August 31, 2019 and November 30, 2018, the investments in this category include investments in equity funds that invest in the equity of various U.S. and foreign private companies in the energy, technology, internet service and telecommunication service industries. These investments cannot be redeemed; instead, distributions are received through the liquidation of the underlying assets of the funds which are primarily expected to be liquidated in approximately one to nine years.

(4) This category includes investments in a hedge fund that invests, long and short, primarily in commodities. Investments in this category are redeemable quarterly with 60 days prior written notice.

(5) This category includes investments in hedge funds that invest, long and short, primarily in multi-asset securities in domestic and international markets in both the public and private sectors. At August 31, 2019 and November 30, 2018, investments representing approximately 4% and 15%, respectively, of the fair value of investments in this category are redeemable monthly with 30 days prior written notice.

(6) This category includes investments in a fund that invests in loans secured by a first trust deed on property, domestic and international public high yield debt, private high yield investments, senior bank loans, public leveraged equities, distressed debt and private equity investments and there are no redemption provisions. This category also includes investments in a fund of funds that invests in various private equity funds that are managed by us and have no redemption provisions. Investments in the fund of funds are gradually being liquidated, however, the timing of when the proceeds will be received is uncertain.

Securities Purchased Under Agreements to Resell

Securities purchased under agreements to resell may include embedded call features. The valuation of these instruments is based on review of expected future cash flows, interest rates, funding spreads and the fair value of the underlying collateral. Securities purchased under agreements to resell are categorized within Level 3 of the fair value hierarchy due to limited observability of the embedded derivative and unobservable credit spreads.

Long-term Debt

Long-term debt includes variable rate, fixed-to-floating rate, constant maturity swap, digital and Bermudan structured notes. These are valued using various valuation models that incorporate our own credit spread, market price quotations from external pricing sources referencing the appropriate interest rate curves, volatilities and other inputs as well as prices for transactions in a given note during the period. Long-term debt notes are generally categorized within Level 2 of the fair value hierarchy where market trades have been observed during the quarter, otherwise categorized within Level 3.

Level 3 Rollforwards

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the three months ended August 31, 2019 (in thousands):

Three Months Ended August 31, 2019

	Balance at May 31, 2019	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2019	For instruments still held at August 31, 2019, changes in unrealized gains/ (losses) included in:	
									Earnings (1)	Other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 59,307	$ 12,542	$ 16,508	$ (17,502)	$ —	$ —	$(20,255)	$ 50,600	$ 12,062	$ —
Corporate debt securities	7,429	(3,072)	1,175	(1,942)	(85)	—	5,783	9,288	(3,047)	—
CDOs and CLOs	16,195	(1,514)	—	—	—	—	6,454	21,135	(1,503)	—
RMBS	17,266	(1,917)	—	(65)	(22)	—	2,667	17,929	(1,435)	—
CMBS	12,530	(2,003)	—	(1,703)	(3,362)	—	—	5,462	(3,143)	—
Other ABS	43,185	(1,689)	13,497	(6,975)	(5,500)	—	(7,920)	34,598	(1,068)	—
Loans and other receivables	98,484	(2,847)	26,921	(33,409)	(1,287)	—	(12,299)	75,563	(2,392)	—
Investments at fair value	103,833	(6,407)	240	(296)	—	—	35,135	132,505	(6,407)	—
Securities purchased under agreements to resell	25,000	—	—	—	—	—	—	25,000	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 221	$ 401	$ (221)	$ —	$ (190)	$ —	$ —	$ 211	$ (35)	$ —
Corporate debt securities	669	(650)	(34)	—	(369)	—	1,586	1,202	649	—
CMBS	—	—	—	35	—	—	—	35	—	—
Loans	9,428	(520)	(10,281)	5,384	—	—	12,619	16,630	531	—
Net derivatives (2)	47,449	(19,519)	—	6,766	(14)	—	16,081	50,763	18,507	—
Long-term debt	236,562	7,455	—	—	—	114,641	(10,595)	348,063	(8,162)	706

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the Three Months Ended August 31, 2019

During the three months ended August 31, 2019, transfers of assets of $79.0 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Investments as fair value of $35.1 million and Loans and other receivables of $23.7 million due to reduced pricing transparency.

During the three months ended August 31, 2019, transfers of assets of $69.4 million from Level 3 to Level 2 are primarily attributed to:

- Loans and other receivables of $36.0 million and Corporate equity securities of $22.1 million due to greater pricing transparency supporting classification into Level 2.

During the three months ended August 31, 2019, transfers of liabilities of $43.5 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Net derivatives of $17.6 million, Loans of $13.3 million and structured notes of $11.0 million due to reduced market and pricing transparency.

During the three months ended August 31, 2019, transfers of liabilities of $23.8 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes of $21.6 million due to greater market transparency.

Net losses on Level 3 assets were $6.9 million and net gains on Level 3 liabilities were $12.8 million for the three months ended August 31, 2019. Net losses on Level 3 assets were primarily due to decreased market values across Investments at fair value, Corporate debt securities, loans and other receivables and CMBS, partially offset by increased market values across Corporate equity securities. Net gains on Level 3 liabilities were primarily due to decreased market values across certain derivatives.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the nine months ended August 31, 2019 (in thousands):

	Nine Months Ended August 31, 2019									
									For instruments still held at August 31, 2019, changes in unrealized gains/(losses) included in:	
	Balance at November 30, 2018	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/(out of) Level 3	Balance at August 31, 2019	Earnings (1)	Other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 51,040	$ 16,381	$ 23,172	$ (25,431)	$ (669)	$ —	$(13,893)	$ 50,600	$ 14,953	$ —
Corporate debt securities	9,484	(4,904)	6,080	(10,544)	(553)	—	9,725	9,288	(5,325)	—
CDOs and CLOs	25,815	(5,892)	48,112	(43,230)	(275)	—	(3,395)	21,135	(5,614)	—
RMBS	19,603	(2,573)	2,166	(2,022)	(171)	—	926	17,929	(2,166)	—
CMBS	10,886	(2,196)	11	(2,023)	(6,638)	—	5,422	5,462	(4,326)	—
Other ABS	53,175	(929)	14,698	(2,494)	(30,623)	—	771	34,598	(961)	—
Loans and other receivables	46,985	3,933	178,069	(166,496)	(8,379)	—	21,451	75,563	682	—
Investments at fair value	113,831	(3,971)	31,583	(296)	—	—	(8,642)	132,505	(3,971)	—
Securities purchased under agreements to resell	—	—	—	—	—	25,000	—	25,000	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ —	$ 401	$ —	$ —	$ (190)	$ —	$ —	$ 211	$ (35)	$ —
Corporate debt securities	522	(867)	—	—	(524)	—	2,071	1,202	867	—
CMBS	—	—	—	35	—	—	—	35	—	—
Loans	6,376	(1,342)	(8,553)	9,929	—	—	10,220	16,630	1,583	—
Net derivatives (2)	21,614	(48,746)	(2,829)	16,313	1,609	—	62,802	50,763	40,052	—
Long-term debt	200,745	(5,286)	—	—	(11,250)	204,710	(40,856)	348,063	(4,517)	9,804

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the Nine Months Ended August 31, 2019

During the nine months ended August 31, 2019, transfers of assets of $60.2 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Loans and other receivables of $30.6 million, other ABS of $10.8 million and Corporate debt securities of $10.5 million due to reduced pricing transparency.

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During the nine months ended August 31, 2019, transfers of assets of $47.8 million from Level 3 to Level 2 are primarily attributed to:

- Corporate equity securities of $14.8 million, other ABS of $10.0 million, Loans and other receivables of $9.2 million and Investments at fair value of $8.6 million due to greater pricing transparency supporting classification into Level 2.

During the nine months ended August 31, 2019, transfers of liabilities of $98.3 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Net derivatives of $64.5 million and structured notes of $20.8 million due to reduced market and pricing transparency.

During the nine months ended August 31, 2019, transfers of liabilities of $64.1 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes of $61.7 million due to greater market transparency.

Net losses on Level 3 assets were $0.2 million and net gains on Level 3 liabilities were $55.8 million for the nine months ended August 31, 2019. Net losses on Level 3 assets were primarily due to decreased market values across Corporate debt securities, CDOs and CLOs and Investments at fair value, partially offset by increased market values across Corporate equity securities. Net gains on Level 3 liabilities were primarily due to decreased market values across derivatives and valuations of certain structured notes.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the three months ended August 31, 2018 (in thousands):

	Three Months Ended August 31, 2018									
									For instruments still held at August 31, 2018, changes in unrealized gains/ (losses) included in:	
	Balance at May 31, 2018	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2018	earnings (1)	other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 42,901	$ 12,128	$ 17,652	$ (23,010)	$ (302)	$ —	$ (1,324)	$ 48,045	$ 9,468	$ —
Corporate debt securities	28,066	1,057	507	(21,403)	(59)	—	1,483	9,651	(165)	—
CDOs and CLOs	30,603	567	238,281	(240,002)	(2,127)	—	(3,721)	23,601	(2,338)	—
RMBS	3,655	(66)	72	(1,597)	(1)	—	2,891	4,954	90	—
CMBS	27,239	(222)	8	—	(1,156)	—	(1,953)	23,916	(288)	—
Other ABS	55,535	(2,269)	307,358	(290,838)	(4,356)	—	3,875	69,305	(1,124)	—
Loans and other receivables	64,036	(1,353)	14,932	(23,700)	(3,453)	—	(1,477)	48,985	1,007	—
Investments at fair value	79,488	—	51	—	—	—	—	79,539	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 87	$ 326	$ —	$ —	$ —	$ —	$ —	$ 413	$ (326)	$ —
Corporate debt securities	522	39	—	—	996	—	—	1,557	(39)	—
Sovereign obligations	—	3	(598)	629	—		21	55	(124)	—
CMBS	—	70	—	—	—	—	—	70	(70)	—
Loans	12,881	(148)	(4,871)	1,787	—	—	(988)	8,661	149	—
Net derivatives (2)	5,874	1,107	—	—	1,990	—	26	8,997	(2,090)	—
Long-term debt	160,626	3,004	—	—	—	—	—	163,630	(2,953)	(51)

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(1) Realized and unrealized gains/losses are reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statement of Comprehensive Income, net of tax.
(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the three months ended August 31, 2018

During the three months ended August 31, 2018, transfers of assets of $13.6 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Other ABS of $3.9 million, RMBS of $2.9 million and CMBS of $2.6 million due to reduced pricing transparency.

During the three months ended August 31, 2018, transfers of assets of $13.8 million from Level 3 to Level 2 are primarily attributed to:

- CMBS of $4.6 million, CDOs and CLOs of $3.7 million and corporate equity securities of $2.6 million due to greater pricing transparency supporting classification into Level 2.

Net gains on Level 3 assets were $9.8 million and net losses on Level 3 liabilities were $4.4 million for the three months ended August 31, 2018. Net gains on Level 3 assets were primarily due to increased market values in corporate equity securities. Net losses on Level 3 liabilities were primarily due to increased valuations of certain structured notes.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the nine months ended August 31, 2018 (in thousands):

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	Nine Months Ended August 31, 2018									
									For instruments still held at August 31, 2018, changes in unrealized gains/(loses) included in:	
	Balance at November 30, 2017	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2018	earnings (1)	other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 22,009	$ 30,098	$ 35,993	$(39,008)	$ (2,082)	$ —	$ 1,035	$ 48,045	$ 25,475	$ —
Corporate debt securities	26,036	1,090	22,204	(38,553)	(2,066)	—	940	9,651	(1,738)	—
CDOs and CLOs	30,004	(2,323)	242,864	(249,691)	(5,859)	—	8,606	23,601	(5,533)	—
RMBS	26,077	(7,334)	2,018	(12,621)	(6)	—	(3,180)	4,954	316	—
CMBS	12,419	(1,236)	1,720	(548)	(5,415)	—	16,976	23,916	(2,272)	—
Other ABS	61,129	(7,528)	523,045	(495,055)	(12,281)	—	(5)	69,305	(3,307)	—
Loans and other receivables	47,304	(2,812)	104,009	(98,733)	(14,610)	—	13,827	48,985	(3,769)	—
Investments at fair value	93,454	417	2,291	(17,569)	—	—	946	79,539	(177)	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 48	$ 365	$ —	$ —	$ —	$ —	$ —	$ 413	$ (365)	$ —

Corporate debt securities	522	39	—	—	996	—	—	1,557	(39)	—
Sovereign obligations	—	3	(598)	629	—		21	55	(124)	—
CMBS	105	(35)	—	—	—	—	—	70	(70)	—
Loans	3,486	(1,059)	(15,702)	19,409	—	—	2,527	8,661	1,059	—
Net derivatives (2)	6,746	(1,034)	(6)	—	2,984	296	11	8,997	(2,660)	—
Long-term debt	—	(25,078)	—	—	—	81,284	107,424	163,630	13,235	11,843

(1) Realized and unrealized gains/losses are reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statement of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the Nine Months Ended August 31, 2018

During the nine months ended August 31, 2018, transfers of assets of $49.1 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- CMBS of $17.0 million, loans and other receivables of $15.3 million and CDOs and CLOs of $8.7 million due to reduced pricing transparency.

During the nine months ended August 31, 2018, transfers of assets of $10.0 million from Level 3 to Level 2 are primarily attributed to:

- RMBS of $4.6 million and corporate equity securities of $2.5 million due to greater pricing transparency supporting classification into Level 2.

During the nine months ended August 31, 2018, there were transfers of structured notes of $107.4 million from Level 2 to Level 3 due to a decrease in market observability.

Net gains on Level 3 assets were $10.4 million and net gains on Level 3 liabilities were $26.8 million for the nine months ended August 31, 2018. Net gains on Level 3 assets were primarily due to increased market values in corporate equity securities, partially offset by decreased market values across other ABS, RMBS and certain loans and other receivables. Net gains on Level 3 liabilities were primarily due to decreased valuations of certain structured notes.

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Quantitative Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements at August 31, 2019 and November 30, 2018

The tables below present information on the valuation techniques, significant unobservable inputs and their ranges for our financial assets and liabilities, subject to threshold levels related to the market value of the positions held, measured at fair value on a recurring basis with a significant Level 3 balance. The range of unobservable inputs could differ significantly across different firms given the range of products across different firms in the financial services sector. The inputs are not representative of the inputs that could have been used in the valuation of any one financial instrument (*i.e.*, the input used for valuing one financial instrument within a particular class of financial instruments may not be appropriate for valuing other financial instruments within that given class). Additionally, the ranges of inputs presented below should not be construed to represent uncertainty regarding the fair values of our financial instruments; rather, the range of inputs is reflective of the differences in the underlying characteristics of the financial instruments in each category.

For certain categories, we have provided a weighted average of the inputs allocated based on the fair values of the financial instruments comprising the category. We do not believe that the range or weighted average of the inputs is indicative of the reasonableness of uncertainty of our Level 3 fair values. The range and weighted average are driven by the individual financial instruments within each category and their relative distribution in the population. The disclosed inputs when compared with the inputs as disclosed in other periods should not be expected to necessarily be indicative of changes in our estimates of unobservable inputs for a particular financial instrument as the population of financial instruments comprising the category will vary from period to period based on purchases and sales of financial instruments during the period as well as transfers into and out of Level 3 each period.

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August 31, 2019

Financial Instruments Owned:	Fair Value (in thousands)	Valuation Technique	Significant Unobservable Input(s)	Input / Range	Weighted Average
Corporate equity securities	$ 45,344				
Non-exchange-traded securities		Market approach	Price	$3-$177	$ 143
			Underlying stock price	$3-$5	$ 4
Corporate debt securities	$ 9,288	Scenario analysis	Estimated recovery percentage	38%-49%	42%
			Volatility	44%	—
			Credit Spread	750	—
			Underlying stock price	£0.4	—
CDOs and CLOs	$ 21,135	Discounted cash flows	Constant prepayment rate	15%-20%	19%
			Constant default rate	1%-2%	2%
			Loss severity	25%-30%	27%
			Discount rate/yield	13%-16%	14%
RMBS	$ 17,929	Discounted cash flows	Cumulative loss rate	2%	—
			Duration (years)	7	—
			Discount rate/yield	3%	—
CMBS	$ 5,462	Discounted cash flows	Cumulative loss rate	80%	—
			Duration (years)	1	—
			Discount rate/yield	5%	—
		Scenario analysis	Estimated recovery percentage	44%	—
Other ABS	$ 34,598	Discounted cash flows	Cumulative loss rate	7%-31%	18%
			Duration (years)	1-3	2
			Discount rate/yield	7%-12%	11%
Loans and other receivables	$ 74,057	Market approach	Price	$41-$100	$ 81
		Scenario analysis	Estimated recovery percentage	1%-117%	68%
Derivatives	$ 13,538				
Interest rate swaps		Market approach	Basis points upfront	0-7	3
Investments at fair value	$ 106,386				
Private equity securities		Market approach	Price	$8-$250	$ 125
		Scenario analysis	Discount rate/yield	20%	—
			Revenue growth	0%	—
Securities purchased under agreements to resell	$ 25,000	Market approach	Spread to 6 month LIBOR	500	—
			Duration (years)	2	—
Financial Instruments Sold, Not Yet Purchased:					
Loans	$ 16,630	Market approach	Price	$50-$98	$ 78
		Scenario analysis	Estimated recovery percentage	1%-75%	27%
Derivatives	$ 65,927				
Equity options		Volatility benchmarking	Volatility	29%-59%	42%
Interest rate swaps		Market approach	Basis points upfront	0-10	4
Cross currency swaps			Basis points upfront	2	—
Unfunded commitments			Price	$90	—
Long-term debt					
Structured notes	$ 348,063	Market approach	Price	$89-$102	$ 97
			Price	€70-€103	€ 89

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November 30, 2018

Financial Instruments Owned:	Fair Value (in thousands)	Valuation Technique	Significant Unobservable Input(s)	Input / Range	Weighted Average
Corporate equity securities	$ 43,664				
Non-exchange-traded securities		Market approach	Price	$1-$75	$ 12
			Transaction level	$47	—
Corporate debt securities	$ 9,484	Market approach	Estimated recovery percentage	46%	—
			Transaction level	$80	—
CDOs and CLOs	$ 25,815	Discounted cash flows	Constant prepayment rate	10%-20%	18%
			Constant default rate	1%-2%	2%
			Loss severity	25%-30%	26%
			Discount rate/yield	11%-16%	14%
		Scenario analysis	Estimated recovery percentage	2%	—
RMBS	$ 19,603	Discounted cash flows	Cumulative loss rate	4%	—
			Duration (years)	13	—
			Loss severity	0%	—
			Discount rate/yield	3%	—
		Market approach	Price	$100	—
CMBS	$ 9,444	Discounted cash flows	Cumulative loss rate	8%-85%	45%
			Duration (years)	1-3	1
			Loss severity	64%	—
			Discount rate/yield	2%-15%	6%
		Scenario analysis	Estimated recovery percentage	26%	—
			Price	$49	—
Other ABS	$ 53,175	Discounted cash flows	Cumulative loss rate	12%-30%	22%
			Duration (years)	1-2	1
			Discount rate/yield	6%-12%	8%
		Market approach	Price	$100	—
Loans and other receivables	$ 46,078	Market approach	Price	$50-$100	$ 96
		Scenario analysis	Estimated recovery percentage	13%-117%	105%
Derivatives	$ 4,602				
Total return swaps		Market approach	Price	$97	—
Investments at fair value	$ 113,831				
Private equity securities		Market approach	Price	$3-$250	$ 108
			Transaction level	$169	—
		Scenario analysis	Discount rate/yield	20%	—
			Revenue growth	0%	—
Financial Instruments Sold, Not Yet Purchased:					
Loans	$ 6,376	Market approach	Price	$50-$101	$ 74
Derivatives	$ 27,536				
Equity options		Option model/default rate	Default probability	0%	—
		Volatility benchmarking	Volatility	39%-62%	50%
Interest rate swaps		Market approach	Price	$20	—
Total return swaps		Market approach	Price	$97	—
Long-term debt					
Structured notes	$ 200,745	Market approach	Price	$78-$94	$ 86
			Price	€68-€110	€ 96

The fair values of certain Level 3 assets and liabilities that were determined based on third-party pricing information, unadjusted past transaction

prices, reported NAV or a percentage of the reported enterprise fair value are excluded from the above tables. At August 31, 2019 and November 30, 2018, asset exclusions consisted of $35.4 million and $11.1 million, respectively, primarily comprised of private equity securities, corporate equity securities, loans and other receivables and certain derivatives. At August 31, 2019 and November 30, 2018, liability exclusions consisted of $2.3 million and $0.5 million, respectively, primarily comprised of corporate debt and certain derivatives.

Uncertainty of Fair Value Measurement from Use of Significant Unobservable Inputs

For recurring fair value measurements categorized within Level 3 of the fair value hierarchy, the uncertainty of the fair value measurement due to the use of significant unobservable inputs and interrelationships between those unobservable inputs (if any) are described below:

- Non-exchange-traded equity securities, corporate debt securities, loans and other receivables, certain derivatives, RMBS, other ABS, private equity securities, securities purchased under agreements to resell and structured notes using a market approach valuation technique. A significant increase (decrease) in the transaction level of a non-exchange-traded security, corporate debt security and private equity security would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the underlying stock price of the non-exchange-traded securities would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the price of the private equity securities, non-exchange-traded securities, total return swaps, interest rate swaps, unfunded commitments, RMBS, other ABS, loans and other receivables or structured notes would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the estimated recovery rates of the cash flow outcomes underlying the corporate debt securities or loans and other receivables would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the yield or duration, in isolation, of securities purchased under agreements to resell would result in a significantly lower (higher) fair value measurement. Depending on whether we are a receiver or (payer) of basis points upfront, a significant increase in basis points would result in a significant increase (decrease) in the fair value measurement of cross currency and interest rate swaps.

- Loans and other receivables, CDOs and CLOs, CMBS, corporate debt and private equity securities using scenario analysis. A significant increase (decrease) in the possible recovery rates of the cash flow outcomes underlying the financial instrument would result in a significantly higher (lower) fair value measurement for the financial instrument. A significant increase (decrease) in the price of the underlying stock price or underlying assets of the financial instrument would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the volatility of the underlying stock price would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the credit spread of the financial instrument would result in a significantly lower (higher) fair value measurement. A significant increase (decrease) in the discount rate/yield underlying the investment would result in a significantly lower (higher) fair value measurement. A significant increase (decrease) in the revenue growth underlying the investment would result in a significantly higher (lower) fair value measurement.

- CDOs and CLOs, RMBS, CMBS and other ABS using a discounted cash flow valuation technique. A significant increase (decrease) in isolation in the constant default rate, loss severity or cumulative loss rate would result in a significantly lower (higher) fair value measurement. The impact of changes in the constant prepayment rate and duration would have differing impacts depending on the capital structure and type of security. A significant increase (decrease) in the discount rate/security yield would result in a significantly lower (higher) fair value measurement.

- Derivative equity options using an option/default rate model. A significant increase (decrease) in default probability would result in a significantly lower (higher) fair value measurement.

- Derivative equity options using volatility benchmarking. A significant increase (decrease) in volatility would result in a significantly higher (lower) fair value measurement.

Fair Value Option Election

We have elected the fair value option for all loans and loan commitments made by our capital markets businesses. These loans and loan commitments include loans entered into by our investment banking division in connection with client bridge financing and loan syndications, loans purchased by our leveraged credit trading desk as part of its bank loan trading activities and mortgage and consumer loan commitments, purchases and fundings in connection with mortgage- and other asset-backed securitization activities. Loans and loan commitments originated or purchased by our leveraged credit and mortgage-backed businesses are managed on a fair value basis. Loans are included in Financial instruments owned and loan commitments are included in Financial instruments owned and Financial instruments sold, not yet purchased in our Consolidated Statements of Financial Condition. The fair value option election is not applied to loans made to affiliate entities as such loans are entered into as part of ongoing, strategic business ventures. Loans to affiliate entities are included in Loans to and investments in related parties in our Consolidated Statements of Financial Condition and are accounted for on an amortized cost basis. We have also elected the fair value option for certain of our structured notes and securities purchased under agreements to resell, which are managed by our capital markets businesses and are included in Long-term debt and Securities purchased under agreements to resell in our Consolidated Statements of Financial Condition, respectively. We have elected the fair value option for certain financial instruments held by subsidiaries as the investments are risk managed by us on a fair value basis. The fair value option may be elected for certain secured financings that arise in connection with our securitization activities and other structured financings. Other secured financings, Receivables – Brokers, dealers and clearing organizations, Receivables – Customers, Receivables – Fees, interest and other, Payables – Brokers, dealers and clearing organizations and Payables – Customers, are accounted for at cost plus accrued interest rather than at fair value; however, the recorded amounts approximate fair value due to their liquid or short-term nature.

The following is a summary of gains (losses) due to changes in instrument specific credit risk on loans, other receivables and debt instruments and gains (losses) due to other changes in fair value on Long-term debt measured at fair value under the fair value option (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Financial instruments owned:				
Loans and other receivables	$ 2,040	$ 14,002	$ (5,458)	$ 7,495
Financial instruments sold, not yet purchased:				
Loans	$ —	$ (2,708)	$ —	$ (2,467)
Loan commitments	(443)	(1,695)	(1,200)	(1,964)
Long-term debt:				
Changes in instrument specific credit risk (1)	$ 6,922	$ 1,401	$ 34,414	$ 19,986
Other changes in fair value (2)	(46,003)	(6,842)	(93,311)	33,626

(1) Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Other changes in fair value are included in Principal transactions revenues in our Consolidated Statements of Earnings.

The following is a summary of the amount by which contractual principal exceeds fair value for loans and other receivables and long-term debt measured at fair value under the fair value option (in thousands):

	August 31, 2019	November 30, 2018
Financial instruments owned:		
Loans and other receivables (1)	$ 1,356,508	$ 961,554
Loans and other receivables on nonaccrual status and/or 90 days or greater past due (1) (2)	139,795	158,392
Long-term debt	59,370	114,669

(1) Interest income is recognized separately from other changes in fair value and is included in Interest revenues in our Consolidated Statements of Earnings.

(2) Amounts include loans and other receivables 90 days or greater past due by which contractual principal exceeds fair value of $20.9 million and $20.5 million at August 31, 2019 and November 30, 2018, respectively.

The aggregate fair value of loans and other receivables on nonaccrual status and/or 90 days or greater past due was $113.4 million and $105.3

million at August 31, 2019 and November 30, 2018, respectively, which includes loans and other receivables 90 days or greater past due of $31.9 million and $19.4 million at August 31, 2019 and November 30, 2018, respectively.

Financial Instruments Not Measured at Fair Value

Certain of our financial instruments are not carried at fair value but are recorded at amounts that approximate fair value due to their liquid or short-term nature and generally negligible credit risk. These financial assets include Cash and cash equivalents and Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations and would generally be presented within Level 1 of the fair value hierarchy. Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations includes U.S. Treasury securities with a fair value of $35.0 million and $34.8 million at August 31, 2019 and November 30, 2018, respectively.

Note 5. Derivative Financial Instruments

Derivative Financial Instruments

Our derivative activities are recorded at fair value in our Consolidated Statements of Financial Condition in Financial instruments owned and Financial instruments sold, not yet purchased, net of cash paid or received under credit support agreements and on a net counterparty basis when a legally enforceable right to offset exists under a master netting agreement. We enter into derivative transactions to satisfy the needs of our clients and to manage our own exposure to market and credit risks resulting from our trading activities. In addition, we apply hedge accounting to an interest rate swap that has been designated as a fair value hedge of the changes in fair value due to the benchmark interest rate for certain fixed rate senior long-term debt.

See Note 4, Fair Value Disclosures, and Note 16, Commitments, Contingencies and Guarantees, for additional disclosures about derivative financial instruments.

Derivatives are subject to various risks similar to other financial instruments, including market, credit and operational risk. The risks of derivatives should not be viewed in isolation, but rather should be considered on an aggregate basis along with our other trading-related activities. We manage the risks associated with derivatives on an aggregate basis along with the risks associated with proprietary trading as part of our firm wide risk management policies.

In connection with our derivative activities, we may enter into International Swaps and Derivatives Association, Inc. master netting agreements or similar agreements with counterparties. See Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 for additional information regarding the offsetting of derivative contracts.

The following tables present the fair value and related number of derivative contracts at August 31, 2019 and November 30, 2018 categorized by type of derivative contract and the platform on which these derivatives are transacted. The fair value of assets/liabilities represents our receivable/payable for derivative financial instruments, gross of counterparty netting and cash collateral received and pledged. The following tables also provide information regarding 1) the extent to which, under enforceable master netting arrangements, such balances are presented net in our Consolidated Statements of Financial Condition as appropriate under U.S. GAAP and 2) the extent to which other rights of setoff associated with these arrangements exist and could have an effect on our financial position (in thousands, except contract amounts).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

	August 31, 2019 (1)			
	Assets		Liabilities	
	Fair Value	Number of Contracts (2)	Fair Value	Number of Contracts (2)
Derivatives designated as accounting hedges:				
Interest rate contracts:				
Cleared OTC	$ 38,588	1	$ —	—
Total derivatives designated as accounting hedges	38,588		—	

Derivatives not designated as accounting hedges:				
Interest rate contracts:				
Exchange-traded	1,766	39,912	873	45,448
Cleared OTC	863,437	3,335	903,989	3,947
Bilateral OTC	539,158	1,865	241,817	474
Foreign exchange contracts:				
Exchange-traded	—	191	—	87
Bilateral OTC	550,737	8,564	548,854	8,319
Equity contracts:				
Exchange-traded	741,307	1,998,268	1,091,142	1,611,110
Bilateral OTC	228,415	4,073	357,356	4,428
Commodity contracts:				
Exchange-traded	1,418	9,523	—	6,239
Credit contracts:				
Cleared OTC	5,210	12	7,988	16
Bilateral OTC	10,183	34	9,993	21
Total derivatives not designated as accounting hedges	2,941,631		3,162,012	
Total gross derivative assets/ liabilities:				
Exchange-traded	744,491		1,092,015	
Cleared OTC	907,235		911,977	
Bilateral OTC	1,328,493		1,158,020	
Amounts offset in our Consolidated Statements of Financial Condition (3):				
Exchange-traded	(723,158)		(723,158)	
Cleared OTC	(871,162)		(881,963)	
Bilateral OTC	(900,155)		(994,085)	
Net amounts per Consolidated Statements of Financial Condition (4)	$ 485,744		$ 562,806	

(1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.

(2) Number of exchange traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations in our Consolidated Statements of Financial Condition.

(3) Amounts netted include both netting by counterparty and for cash collateral paid or received.

(4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

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	November 30, 2018 (1)			
	Assets		Liabilities	
	Fair Value	Number of Contracts (2)	Fair Value	Number of Contracts (2)
Derivatives designated as accounting hedges:				
Interest rate contracts:				
Cleared OTC	$ —	—	$ 29,647	1
Total derivatives designated as accounting hedges	—		29,647	
Derivatives not designated as accounting hedges:				

Interest rate contracts:				
Exchange-traded	924	32,159	513	66,095
Cleared OTC	422,670	2,095	411,833	2,394
Bilateral OTC	372,899	1,398	491,697	816
Foreign exchange contracts:				
Exchange-traded	42	538	2	690
Cleared OTC	—	—	36	3
Bilateral OTC	311,228	9,548	314,951	9,909
Equity contracts:				
Exchange-traded	1,202,927	2,104,684	2,061,137	1,779,836
Bilateral OTC	207,221	5,126	315,996	2,764
Commodity contracts:				
Exchange-traded	213	3,927	270	4,012
Credit contracts:				
Cleared OTC	11,204	7	1,556	14
Bilateral OTC	13,768	123	11,618	79
Total derivatives not designated as accounting hedges	2,543,096		3,609,609	
Total gross derivative assets/liabilities:				
Exchange-traded	1,204,106		2,061,922	
Cleared OTC	433,874		443,072	
Bilateral OTC	905,116		1,134,262	
Amounts offset in our Consolidated Statements of Financial Condition (3):				
Exchange-traded	(1,190,951)		(1,190,951)	
Cleared OTC	(407,351)		(418,779)	
Bilateral OTC	(814,184)		(901,875)	
Net amounts per Consolidated Statements of Financial Condition (4)	$ 130,610		$ 1,127,651	

(1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.

(2) Number of exchange traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations in our Consolidated Statements of Financial Condition.

(3) Amounts netted include both netting by counterparty and for cash collateral paid or received.

(4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

JEFFERIES GROUP LLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

The following table provides information related to gains (losses) recognized in Interest expense in our Consolidated Statements of Earnings on a fair value hedge (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
Gains (Losses)	2019	2018	2019	2018
Interest rate swaps	$ 28,052	$ (1,161)	$ 69,843	$ (22,363)
Long-term debt	(28,519)	1,221	(72,288)	24,055
Total	$ (467)	$ 60	$ (2,445)	$ 1,692

The following table presents unrealized and realized gains (losses) on derivative contracts recognized in Principal transactions revenues in our

Consolidated Statements of Earnings, which are utilized in connection with our client activities and our economic risk management activities (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
Gains (Losses)	2019	2018	2019	2018
Interest rate contracts	$ (89,864)	$ 13,951	$ (193,715)	$ 36,053
Foreign exchange contracts	(3,022)	(4,421)	(1,604)	6,207
Equity contracts	2,236	1,807	(118,354)	(215,232)
Commodity contracts	3,400	281	4,775	3,025
Credit contracts	2,687	620	11,600	3,026
Total	$ (84,563)	$ 12,238	$ (297,298)	$ (166,921)

The net gains (losses) on derivative contracts in the table above are one of a number of activities comprising our business activities and are before consideration of economic hedging transactions, which generally offset the net gains (losses) included above. We substantially mitigate our exposure to market risk on our cash instruments through derivative contracts, which generally provide offsetting revenues, and we manage the risk associated with these contracts in the context of our overall risk management framework.

OTC Derivatives. The following tables set forth by remaining contract maturity the fair value of OTC derivative assets and liabilities at August 31, 2019 (in thousands):

	OTC Derivative Assets (1) (2) (3)				
	0 – 12 Months	1 – 5 Years	Greater Than 5 Years	Cross-Maturity Netting (4)	Total
Equity swaps and options	$ 57,345	$ 1	$ 3,579	$ (3,572)	$ 57,353
Credit default swaps	887	826	—	(81)	1,632
Total return swaps	25,166	70,022	—	(334)	94,854
Foreign currency forwards, swaps and options	111,325	4,740	7	(3,538)	112,534
Fixed income forwards	556	—	—	—	556
Interest rate swaps, options and forwards	76,320	225,447	183,737	(56,767)	428,737
Total	$ 271,599	$ 301,036	$ 187,323	$ (64,292)	695,666
Cross product counterparty netting					(26,934)
Total OTC derivative assets included in Financial instruments owned					$ 668,732

(1) At August 31, 2019, we held net exchange-traded derivative assets and other credit agreements with a fair value of $30.3 million, which are not included in this table.

(2) OTC derivative assets in the table above are gross of collateral received. OTC derivative assets are recorded net of collateral received in our Consolidated Statements of Financial Condition. At August 31, 2019, cash collateral received was $213.2 million.

(3) Derivative fair values include counterparty netting within product category.

(4) Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

	OTC Derivative Liabilities (1) (2) (3)				
	0 – 12 Months	1 – 5 Years	Greater Than 5 Years	Cross-Maturity Netting (4)	Total
Equity swaps and options	$ 8,679	$ 123,854	$ 49,873	$ (3,572)	$ 178,834
Credit default swaps	35	6,291	—	(81)	6,245
Total return swaps	77,259	25,160	—	(334)	102,085

Foreign currency forwards, swaps and options	108,267	2,758	2,984	(3,538)	110,471
Fixed income forwards	868	—	—	—	868
Interest rate swaps, options and forwards	42,416	43,161	109,564	(56,767)	138,374
Total	$ 237,524	$ 201,224	$ 162,421	$ (64,292)	536,877
Cross product counterparty netting					(26,934)
Total OTC derivative liabilities included in Financial instruments sold, not yet purchased					$ 509,943

(1) At August 31, 2019, we held net exchange-traded derivative liabilities and other credit agreements with a fair value of $370.8 million, which are not included in this table.

(2) OTC derivative liabilities in the table above are gross of collateral pledged. OTC derivative liabilities are recorded net of collateral pledged in our Consolidated Statements of Financial Condition. At August 31, 2019, cash collateral pledged was $318.0 million.

(3) Derivative fair values include counterparty netting within product category.

(4) Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

The following table presents the counterparty credit quality with respect to the fair value of our OTC derivative assets at August 31, 2019 (in thousands):

Counterparty credit quality (1):	
A- or higher	$ 146,495
BBB- to BBB+	42,072
BB+ or lower	275,252
Unrated	204,913
Total	$ 668,732

(1) We utilize internal credit ratings determined by our Risk Management department. Credit ratings determined by Risk Management use methodologies that produce ratings generally consistent with those produced by external rating agencies.

Credit Related Derivative Contracts

The external credit ratings of the underlyings or referenced assets for our written credit related derivative contracts (in millions):

	August 31, 2019			
	External Credit Rating			
	Investment Grade	Non-investment Grade	Unrated	Total Notional
Credit protection sold:				
Index credit default swaps	$ —	$ 96.8	$ —	$ 96.8
Single name credit default swaps	7.6	31.6	32.9	72.1

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	November 30, 2018			
	External Credit Rating			
	Investment Grade	Non-investment Grade	Unrated	Total Notional
Credit protection sold:				
Index credit default swaps	$ 25.7	$ 167.4	$ —	$ 193.1
Single name credit default swaps	57.7	84.5	3.0	145.2

Contingent Features

Certain of our derivative instruments contain provisions that require our debt to maintain an investment grade credit rating from each of the major credit rating agencies. If our debt were to fall below investment grade, it would be in violation of these provisions and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on our derivative instruments in liability positions. The following table presents the aggregate fair value of all derivative instruments with such credit-risk-related contingent features that are in a liability position, the collateral amounts we have posted or received in the normal course of business and the potential collateral we would have been required to return and/or post additionally to our counterparties if the credit-risk-related contingent features underlying these agreements were triggered (in millions):

	August 31, 2019	November 30, 2018
Derivative instrument liabilities with credit-risk-related contingent features	$ 113.7	$ 93.5
Collateral posted	(80.0)	(61.5)
Collateral received	57.0	91.5
Return of and additional collateral required in the event of a credit rating downgrade below investment grade (1)	90.6	123.3

(1) These potential outflows include initial margin received from counterparties at the execution of the derivative contract. The initial margin will be returned if counterparties elect to terminate the contract after a downgrade.

Note 6. Collateralized Transactions

We enter into secured borrowing and lending arrangements to obtain collateral necessary to effect settlement, finance inventory positions, meet customer needs or re-lend as part of our dealer operations. We monitor the fair value of the securities loaned and borrowed on a daily basis as compared with the related payable or receivable, and request additional collateral or return excess collateral, as appropriate. We pledge financial instruments as collateral under repurchase agreements, securities lending agreements and other secured arrangements, including clearing arrangements. Our agreements with counterparties generally contain contractual provisions allowing the counterparty the right to sell or repledge the collateral. Pledged securities owned that can be sold or repledged by the counterparty are included in Financial instruments owned, at fair value and noted parenthetically as Securities pledged in our Consolidated Statements of Financial Condition.

The following tables set forth the carrying value of securities lending arrangements and repurchase agreements by class of collateral pledged (in thousands):

	August 31, 2019		
	Securities Lending Arrangements	Repurchase Agreements	Total
Collateral Pledged:			
Corporate equity securities	$ 1,952,304	$ 147,845	$ 2,100,149
Corporate debt securities	174,936	1,946,659	2,121,595
Mortgage- and asset-backed securities	—	2,041,563	2,041,563
U.S. government and federal agency securities	55,625	13,423,223	13,478,848
Municipal securities	—	429,925	429,925
Sovereign obligations	—	2,433,727	2,433,727
Loans and other receivables	—	900,140	900,140
Total	$ 2,182,865	$ 21,323,082	$ 23,505,947

	November 30, 2018		
	Securities Lending Arrangements	Repurchase Agreements	Total
Collateral Pledged:			
Corporate equity securities	$ 1,505,218	$ 487,124	$ 1,992,342

Corporate debt securities	333,221	1,853,309	2,186,530
Mortgage- and asset-backed securities	249	2,820,543	2,820,792
U.S. government and federal agency securities	—	8,181,947	8,181,947
Municipal securities	—	604,274	604,274
Sovereign obligations	—	2,945,521	2,945,521
Loans and other receivables	—	300,768	300,768
Total	$ 1,838,688	$ 17,193,486	$ 19,032,174

The following tables set forth the carrying value of securities lending arrangements and repurchase agreements by remaining contractual maturity (in thousands):

	August 31, 2019				
	Overnight and Continuous	Up to 30 Days	31-90 Days	Greater than 90 Days	Total
Securities lending arrangements	$ 1,305,512	$ 70,319	$ 635,864	$ 171,170	$ 2,182,865
Repurchase agreements	9,207,762	2,376,018	3,897,096	5,842,206	21,323,082
Total	$ 10,513,274	$ 2,446,337	$ 4,532,960	$ 6,013,376	$ 23,505,947

	November 30, 2018				
	Overnight and Continuous	Up to 30 Days	31-90 Days	Greater than 90 Days	Total
Securities lending arrangements	$ 807,347	$ —	$ 560,417	$ 470,924	$ 1,838,688
Repurchase agreements	7,849,052	1,915,325	6,042,951	1,386,158	17,193,486
Total	$ 8,656,399	$ 1,915,325	$ 6,603,368	$ 1,857,082	$ 19,032,174

JEFFERIES GROUP LLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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We receive securities as collateral under resale agreements, securities borrowing transactions and customer margin loans. We also receive securities as collateral in connection with securities-for-securities transactions in which we are the lender of securities. In many instances, we are permitted by contract to rehypothecate the securities received as collateral. These securities may be used to secure repurchase agreements, enter into securities lending transactions, satisfy margin requirements on derivative transactions or cover short positions. At August 31, 2019 and November 30, 2018, the approximate fair value of securities received as collateral by us that may be sold or repledged was $31.1 billion and $23.1 billion, respectively. At August 31, 2019 and November 30, 2018, a substantial portion of the securities received by us had been sold or repledged.

Offsetting of Securities Financing Agreements

To manage our exposure to credit risk associated with securities financing transactions, we may enter into master netting agreements and collateral arrangements with counterparties. Generally, transactions are executed under standard industry agreements, including, but not limited to, master securities lending agreements (securities lending transactions) and master repurchase agreements (repurchase transactions). See Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 for additional information regarding the offsetting of securities financing agreements.

The following tables provide information regarding repurchase agreements and securities borrowing and lending arrangements that are recognized in our Consolidated Statements of Financial Condition and 1) the extent to which, under enforceable master netting arrangements, such balances are presented net in our Consolidated Statements of Financial Condition as appropriate under U.S. GAAP and 2) the extent to which other rights of setoff associated with these arrangements exist and could have an effect on our financial position (in thousands).

	August 31, 2019		
	Netting in Consolidated	Net Amounts in Consolidated	Additional Amounts

	Gross Amounts	Statement of Financial Condition	Statement of Financial Condition	Available for Setoff (1)	Available Collateral (2)	Net Amount (3)
Assets:						
Securities borrowing arrangements	$ 7,895,149	$ —	$ 7,895,149	$ (707,436)	$ (1,653,688)	$ 5,534,025
Reverse repurchase agreements	17,586,096	(13,086,101)	4,499,995	(454,507)	(3,817,544)	227,944
Liabilities:						
Securities lending arrangements	$ 2,182,865	$ —	$ 2,182,865	$ (707,436)	$ (1,452,911)	$ 22,518
Repurchase agreements	21,323,082	(13,086,101)	8,236,981	(454,507)	(6,269,894)	1,512,580

	November 30, 2018					
	Gross Amounts	Netting in Consolidated Statement of Financial Condition	Net Amounts in Consolidated Statement of Financial Condition	Additional Amounts Available for Setoff (1)	Available Collateral (2)	Net Amount (4)
Assets:						
Securities borrowing arrangements	$ 6,538,212	$ —	$ 6,538,212	$ (468,778)	$ (1,193,986)	$ 4,875,448
Reverse repurchase agreements	11,336,175	(8,550,417)	2,785,758	(609,225)	(2,126,730)	49,803
Liabilities:						
Securities lending arrangements	$ 1,838,688	$ —	$ 1,838,688	$ (468,778)	$ (1,343,704)	$ 26,206
Repurchase agreements	17,193,486	(8,550,417)	8,643,069	(609,225)	(7,070,967)	962,877

(1) Under master netting agreements with our counterparties, we have the legal right of offset with a counterparty, which incorporates all of the counterparty's outstanding rights and obligations under the arrangement. These balances reflect additional credit risk mitigation that is available by a counterparty in the event of a counterparty's default, but which are not netted in the balance sheet because other netting provisions of U.S. GAAP are not met.

(2) Includes securities received or paid under collateral arrangements with counterparties that could be liquidated in the event of a counterparty default and thus offset against a counterparty's rights and obligations under the respective repurchase agreements or securities borrowing or lending arrangements.

(3) Amounts include $5,473.0 million of securities borrowing arrangements, for which we have received securities collateral of $5,322.7 million, and $382.9 million of repurchase agreements, for which we have pledged securities collateral of $392.4 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

(4) Amounts include $4,825.7 million of securities borrowing arrangements, for which we have received securities collateral of $4,711.7 million, and $931.7 million of repurchase agreements, for which we have pledged securities collateral of $963.6 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

Cash and Securities Segregated and on Deposit for Regulatory Purposes or Deposited with Clearing and Depository Organizations

Cash and securities deposited with clearing and depository organizations and segregated in accordance with regulatory regulations totaled $658.3 million and $708.0 million at August 31, 2019 and November 30, 2018, respectively. Segregated cash and securities consist of deposits in accordance with Rule 15c3-3 of the Securities Exchange Act of 1934, which subjects Jefferies LLC as a broker-dealer carrying customer accounts to requirements related to maintaining cash or qualified securities in segregated special reserve bank accounts for the exclusive benefit of its customers.

Note 7. Securitization Activities

We engage in securitization activities related to corporate loans, commercial mortgage loans, consumer loans and mortgage-backed and other asset -backed securities. In our securitization transactions, we transfer these assets to special purpose entities ("SPEs") and act as the placement or structuring agent for the beneficial interests sold to investors by the SPE. A significant portion of our securitization transactions are the securitization of assets issued or guaranteed by U.S. government agencies. These SPEs generally meet the criteria of VIEs; however, we generally do not consolidate the SPEs as we are not considered the primary beneficiary for these SPEs. See Note 8, Variable Interest Entities, for further discussion on VIEs and our determination of the primary beneficiary.

We account for our securitization transactions as sales, provided we have relinquished control over the transferred assets. Transferred assets are carried at fair value with unrealized gains and losses reflected in Principal transactions revenues in our Consolidated Statements of Earnings prior to the identification and isolation for securitization. Subsequently, revenues recognized upon securitization are reflected as net underwriting revenues. We generally receive cash proceeds in connection with the transfer of assets to an SPE. We may, however, have continuing involvement with the transferred assets, which is limited to retaining one or more tranches of the securitization (primarily senior and subordinated debt securities in the form of mortgage- and other-asset backed securities or CLOs). These securities are included in Financial instruments owned, at fair value in our Consolidated Statements of Financial Condition and are generally initially categorized as Level 2 within the fair value hierarchy. For further information on fair value measurements and the fair value hierarchy, refer to Note 4, Fair Value Disclosures, herein, and Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

The following table presents activity related to our securitizations that were accounted for as sales in which we had continuing involvement (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Transferred assets	$ 789.3	$ 1,865.5	$ 2,894.4	$ 5,665.9
Proceeds on new securitizations	789.3	1,866.2	2,966.3	5,668.6
Cash flows received on retained interests	16.8	17.2	47.2	35.7

We have no explicit or implicit arrangements to provide additional financial support to these SPEs, have no liabilities related to these SPEs and do not have any outstanding derivative contracts executed in connection with these securitization activities at August 31, 2019 and November 30, 2018.

The following tables summarize our retained interests in SPEs where we transferred assets and have continuing involvement and received sale accounting treatment (in millions):

	August 31, 2019		November 30, 2018	
Securitization Type	Total Assets	Retained Interests	Total Assets	Retained Interests
U.S. government agency RMBS	$ 11,351.8	$ 123.8	$ 13,633.5	$ 365.3
U.S. government agency CMBS	1,374.9	48.4	2,027.6	185.6
CLOs	3,430.0	29.8	3,512.0	20.9
Consumer and other loans	975.0	56.8	604.1	48.9

Total assets represent the unpaid principal amount of assets in the SPEs in which we have continuing involvement and are presented solely to provide information regarding the size of the transactions and the size of the underlying assets supporting our retained interests, and are not considered representative of the risk of potential loss. Assets retained in connection with a securitization transaction represent the fair value of the securities of one or more tranches issued by an SPE, including senior and subordinated tranches. Our risk of loss is limited to this fair value amount which is included in total Financial instruments owned in our Consolidated Statements of Financial Condition.

Although not obligated, in connection with secondary market-making activities we may make a market in the securities issued by these SPEs. In these market-making transactions, we buy these securities from and sell these securities to investors. Securities purchased through these market-making activities are not considered to be continuing involvement in these SPEs. To the extent we purchased securities through these market-making activities and we are not deemed to be the primary beneficiary of the VIE, these securities are included in agency and non-agency mortgage- and asset-backed securitizations in the nonconsolidated VIEs section presented in Note 8, Variable Interest Entities.

Note 8. Variable Interest Entities

VIEs are entities in which equity investors lack the characteristics of a controlling financial interest. VIEs are consolidated by the primary beneficiary. The primary beneficiary is the party who has both (1) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (2) an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity.

Our variable interests in VIEs include debt and equity interests, commitments, guarantees and certain fees. Our involvement with VIEs arises primarily from:

- Purchases of securities in connection with our trading and secondary market-making activities;
- Retained interests held as a result of securitization activities, including the resecuritization of mortgage- and other asset-backed securities and the securitization of commercial mortgage, corporate and consumer loans;
- Acting as placement agent and/or underwriter in connection with client-sponsored securitizations;
- Financing of agency and non-agency mortgage- and other asset-backed securities;
- Warehouse funding arrangements for client-sponsored consumer loan vehicles and CLOs through participation certificates, forward sale agreements and revolving loan and note commitments; and
- Loans to, investments in and fees from various investment vehicles.

We determine whether we are the primary beneficiary of a VIE upon our initial involvement with the VIE and we reassess whether we are the primary beneficiary of a VIE on an ongoing basis. Our determination of whether we are the primary beneficiary of a VIE is based upon the facts and circumstances for each VIE and requires judgment. Our considerations in determining the VIE's most significant activities and whether we have power to direct those activities include, but are not limited to, the VIE's purpose and design and the risks passed through to investors, the voting interests of the VIE, management, service and/or other agreements of the VIE, involvement in the VIE's initial design and the existence of explicit or implicit financial guarantees. In situations where we have determined that the power over the VIE's significant activities is shared, we assess whether we are the party with the power over the most significant activities. If we are the party with the power over the most significant activities, we meet the "power" criteria of the primary beneficiary. If we do not have the power over the most significant activities or we determine that decisions require consent of each sharing party, we do not meet the "power" criteria of the primary beneficiary.

We assess our variable interests in a VIE both individually and in aggregate to determine whether we have an obligation to absorb losses of or a right to receive benefits from the VIE that could potentially be significant to the VIE. The determination of whether our variable interest is significant to the VIE requires judgment. In determining the significance of our variable interest, we consider the terms, characteristics and size of the variable interests, the design and characteristics of the VIE, our involvement in the VIE and our market-making activities related to the variable interests.

Consolidated VIEs

The following table presents information about our consolidated VIEs at August 31, 2019 and November 30, 2018 (in millions). The assets and liabilities in the tables below are presented prior to consolidation and thus a portion of these assets and liabilities are eliminated in consolidation.

	August 31, 2019		November 30, 2018	
	Securitization Vehicles	Other	Securitization Vehicles	Other
Cash	$ —	$ 1.2	$ —	$ 1.1
Financial instruments owned	—	0.3	—	0.4
Securities purchased under agreements to resell (1)	1,822.1	—	883.1	—
Total assets	$ 1,822.1	$ 1.5	$ 883.1	$ 1.5
Other secured financings (2)	$ 1,820.8	$ —	$ 882.5	$ —
Other liabilities	1.3	0.2	0.6	0.2

Total liabilities	$ 1,822.1	$ 0.2	$ 883.1	$ 0.2

(1) Securities purchased under agreements to resell represent amounts due under collateralized transactions on related consolidated entities, which are eliminated in consolidation.

(2) Approximately $1.0 million of the secured financing represent amounts held by us in inventory and are eliminated in consolidation at November 30, 2018.

Securitization Vehicles. We are the primary beneficiary of asset-backed financing vehicles to which we sell agency and non-agency residential and commercial mortgage loans, and mortgage-backed securities, and consumer loans pursuant to the terms of a master repurchase agreement. Our variable interests in these vehicles consist of our collateral margin maintenance obligations under the master repurchase agreement, which we manage, and retained interests in securities issued. The assets of these VIEs consist of reverse repurchase agreements, which are available for the benefit of the vehicle's debt holders. The creditors of these VIEs do not have recourse to our general credit and each such VIE's assets are not available to satisfy any other debt.

Other. We are the primary beneficiary of certain investment vehicles set up for the benefit of our employees. We manage and invest alongside our employees in these vehicles. The assets of these VIEs consist of private equity securities and are available for the benefit of the entities' equity holders. Our variable interests in these vehicles consist of equity securities. The creditors of these VIEs do not have recourse to our general credit and each such VIE's assets are not available to satisfy any other debt.

Nonconsolidated VIEs

The following tables present information about our variable interests in nonconsolidated VIEs (in millions):

	August 31, 2019			
	Carrying Amount		Maximum Exposure to Loss	VIE Assets
	Assets	Liabilities		
CLOs	$ 124.0	$ 0.9	$ 801.5	$ 7,889.6
Consumer loan and other asset-backed vehicles	525.1	—	668.8	3,020.6
Related party private equity vehicles	28.7	—	46.2	83.7
Other investment vehicles	399.1	—	410.0	6,550.7
Total	$ 1,076.9	$ 0.9	$ 1,926.5	$ 17,544.6

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	November 30, 2018			
	Carrying Amount		Maximum Exposure to Loss	VIE Assets
	Assets	Liabilities		
CLOs	$ 42.1	$ —	$ 568.3	$ 3,088.9
Consumer loan and other asset-backed vehicles	462.1	—	807.1	3,273.1
Related party private equity vehicles	35.5	—	53.5	108.3
Other investment vehicles	95.0	—	99.1	3,558.1
Total	$ 634.7	$ —	$ 1,528.0	$ 10,028.4

Our maximum exposure to loss often differs from the carrying value of the variable interests. The maximum exposure to loss is dependent on the nature of our variable interests in the VIEs and is limited to the notional amounts of certain loan and equity commitments and guarantees. Our maximum exposure to loss does not include the offsetting benefit of any financial instruments that may be utilized to hedge the risks associated with our variable interests and is not reduced by the amount of collateral held as part of a transaction with a VIE.

Collateralized Loan Obligations. Assets collateralizing the CLOs include bank loans, participation interests and sub-investment grade and senior secured U.S. loans. We underwrite securities issued in CLO transactions on behalf of sponsors and provide advisory services to the sponsors. We may also sell corporate loans to the CLOs. Our variable interests in connection with CLOs where we have been involved in providing underwriting and/or advisory services consist of the following:

- Forward sale agreements whereby we commit to sell, at a fixed price, corporate loans and ownership interests in an entity holding such corporate loans to CLOs;
- Warehouse funding arrangements in the form of participation interests in corporate loans held by CLOs and commitments to fund such participation interests;
- Trading positions in securities issued in a CLO transaction; and
- Investments in variable funding notes issued by CLOs.

Consumer Loan and other Asset-Backed Vehicles. We provide financing and lending related services to certain client-sponsored VIEs in the form of revolving funding note agreements, revolving credit facilities, forward purchase agreements and reverse repurchase agreements. The underlying assets, which are collateralizing the vehicles, are primarily composed of unsecured consumer and small business loans, and trade claims. In addition, we may provide structuring and advisory services and act as an underwriter or placement agent for securities issued by the vehicles. We do not control the activities of these entities.

Related Party Private Equity Vehicles. We committed to invest in private equity funds, (the "JCP Funds", including JCP Fund V (see Note 9, Investments)) managed by Jefferies Capital Partners, LLC (the "JCP Manager"). Additionally, we committed to invest in the general partners of the JCP Funds (the "JCP General Partners") and the JCP Manager. Our variable interests in the JCP Funds, JCP General Partners and JCP Manager (collectively, the "JCP Entities") consist of equity interests that, in total, provide us with limited and general partner investment returns of the JCP Funds, a portion of the carried interest earned by the JCP General Partners and a portion of the management fees earned by the JCP Manager. At both August 31, 2019 and November 30, 2018, our total equity commitment in the JCP Entities was $139.3 million, of which $121.7 million and $121.3 million had been funded, respectively. The carrying value of our equity investments in the JCP Entities was $28.7 million and $35.5 million at August 31, 2019 and November 30, 2018, respectively. Our exposure to loss is limited to the total of our carrying value and unfunded equity commitment. The assets of the JCP Entities primarily consist of private equity and equity related investments.

Other Investment Vehicles. At August 31, 2019 and November 30, 2018, we had equity commitments to invest $400.2 million and $112.2 million, respectively, in various other investment vehicles, of which $389.2 million and $108.1 million was funded, respectively. The carrying value of our equity investments was $399.1 million and $95.0 million at August 31, 2019 and November 30, 2018, respectively. Our exposure to loss is limited to the total of our carrying value and unfunded equity commitment. These investment vehicles have assets primarily consisting of private and public equity investments, debt instruments, trade and insurance claims and various oil and gas assets.

Mortgage- and Other Asset-Backed Securitization Vehicles. In connection with our secondary trading and market-making activities, we buy and sell agency and non-agency mortgage-backed securities and other asset-backed securities, which are issued by third-party securitization SPEs and are generally considered variable interests in VIEs. Securities issued by securitization SPEs are backed by residential mortgage loans, U.S. agency collateralized mortgage obligations, commercial mortgage loans, CDOs and CLOs and other consumer loans, such as installment receivables, auto loans and student loans. These securities are accounted for at fair value and included in Financial instruments owned in our Consolidated Statements of Financial Condition. We have no other involvement with the related SPEs and therefore do not consolidate these entities.

We also engage in underwriting, placement and structuring activities for third-party-sponsored securitization trusts generally through agency (FNMA ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac") or GNMA ("Ginnie Mae")) or non-agency-sponsored SPEs and may purchase loans or mortgage-backed securities from third parties that are subsequently transferred into the securitization trusts. The securitizations are backed by residential and commercial mortgage, home equity and auto loans. We do not consolidate agency-sponsored securitizations as we do not have the power to direct the activities of the SPEs that most significantly impact their economic performance. Further, we are not the servicer of non-agency-sponsored securitizations and therefore do not have power to direct the most significant activities of the SPEs and accordingly, do not consolidate these entities. We may retain unsold senior and/or subordinated interests at the time of securitization in the form of securities issued by the SPEs.

At August 31, 2019 and November 30, 2018, we held $1,712.9 million and $2,913.0 million of agency mortgage-backed securities, respectively, and $191.2 million and $170.5 million of non-agency mortgage and other asset-backed securities, respectively, as a result of our secondary trading and market-making activities, and underwriting, placement and structuring activities. Our maximum exposure to loss on these securities is limited to the carrying value of our investments in these securities. These mortgage- and other asset-backed securitization vehicles discussed are not included in the above table containing information about our variable interests in nonconsolidated VIEs.

Note 9. Investments

At August 31, 2019, we had investments in Jefferies Finance LLC ("Jefferies Finance") and Berkadia. In addition, we had an investment in Epic Gas, which was sold on March 19, 2019. Our investments in Jefferies Finance, Berkadia and Epic Gas have been accounted for under the equity method and have been included in Loans to and investments in related parties in our Consolidated Statements of Financial Condition with our share of the investees' earnings recognized in Other revenues in our Consolidated Statements of Earnings. We have limited partnership interests of 11% and 50% in Jefferies Capital Partners V L.P. and the Jefferies SBI USA Fund L.P. (together, "JCP Fund V"), respectively, which are private equity funds managed by a team led by one of our directors and our Chairman of the Executive Committee.

Jefferies Finance

Jefferies Finance, a joint venture entity pursuant to an agreement with Massachusetts Mutual Life Insurance Company ("MassMutual"), is a commercial finance company whose primary focus is the origination and syndication of senior secured debt to middle market and growth companies in the form of term and revolving loans. Loans are originated primarily through the investment banking efforts of Jefferies LLC. Jefferies Finance may also originate other debt products such as second lien term, bridge and mezzanine loans, as well as related equity co-investments. Jefferies Finance also purchases syndicated loans in the secondary market and acts as an investment advisor for various loan funds.

At August 31, 2019, we and MassMutual each had equity commitments to Jefferies Finance of $750.0 million, for a combined total commitment of $1.5 billion. At August 31, 2019, we had funded $643.7 million of our $750.0 million commitment, leaving $106.3 million unfunded. The investment commitment is scheduled to expire on March 1, 2020 with automatic one year extensions absent a 60 days termination notice by either party.

Jefferies Finance has executed a Secured Revolving Credit Facility with us and MassMutual, to be funded equally, to support loan underwritings by Jefferies Finance, which bears interest based on the interest rates of the related Jefferies Finance underwritten loans and is secured by the underlying loans funded by the proceeds of the facility. The total Secured Revolving Credit Facility is a committed amount of $500.0 million at August 31, 2019. Advances are shared equally between us and MassMutual. The facility is scheduled to mature on March 1, 2020 with automatic one year extensions absent a 60 days termination notice by either party. At August 31, 2019, we had funded $0.0 million of our $250.0 million commitment. The following summarizes the activity included in our Consolidated Statements of Earnings related to the facility (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Interest income	$ —	$ —	$ —	$ 1.2
Unfunded commitment fees	0.3	0.3	0.9	0.8

The following is a summary of selected financial information for Jefferies Finance (in millions):

	August 31, 2019	November 30, 2018
Our total equity balance	$ 635.5	$ 694.8

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net earnings (loss)	$ (16.3)	$ 38.0	$ 31.5	$ 140.7

The following summarizes activity related to our other transactions with Jefferies Finance (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Origination and syndication fee revenues (1)	$ 44.6	$ 71.1	$ 135.8	$ 282.1

Origination fee expenses (1)	8.2	12.1	21.8	45.5
CLO placement fee revenues (2)	1.0	0.4	2.3	3.1
Derivative losses (3)	—	(0.3)	—	(0.9)
Underwriting fees (4)	2.9	—	3.9	0.3
Service fees (5)	12.3	13.3	50.6	48.3

(1) We engage in debt capital markets transactions with Jefferies Finance related to the originations and syndications of loans by Jefferies Finance. In connection with such services, we earned fees, which are recognized in Investment banking revenues in our Consolidated Statements of Earnings. In addition, we paid fees to Jefferies Finance in respect of certain loans originated by Jefferies Finance, which are recognized as Business development expenses in our Consolidated Statements of Earnings.

(2) We act as a placement agent for CLOs managed by Jefferies Finance, for which we recognized fees, which are included in Investment banking revenues in our Consolidated Statements of Earnings. At August 31, 2019 and November 30, 2018, we held securities issued by CLOs managed by Jefferies Finance, which are included in Financial instruments owned, at fair value.

(3) We have entered into participation agreements and derivative contracts with Jefferies Finance based upon certain securities issued by CLOs and we have recognized gains (losses) relating to the derivative contracts.

(4) We acted as underwriter in connection with term loans issued by Jefferies Finance.

(5) Under a service agreement, we charge Jefferies Finance for services provided.

Receivables from Jefferies Finance, included in Other assets in our Consolidated Statements of Financial Condition, were $12.9 million and $35.2 million at August 31, 2019 and November 30, 2018, respectively. Payables to Jefferies Finance, related to cash deposited with us and included in Accrued expenses and other liabilities in our Consolidated Statements of Financial Condition, were $13.7 million and $14.1 million at August 31, 2019 and November 30, 2018, respectively.

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We enter into OTC foreign exchange contracts with Jefferies Finance. In connection with these contracts we had $2.1 million recorded in Financial instruments sold, at fair value in our Consolidated Statements of Financial Condition at August 31, 2019. We recorded $0.2 million in Payables—brokers, dealers and clearing organizations and $0.4 million in Financial instruments sold, not yet purchased, at fair value in connection with these contracts in our Consolidated Statements of Financial Condition at November 30, 2018.

On March 28, 2019, we entered into a promissory note with Jefferies Finance with a principal amount of $1.0 billion, the proceeds of which were used in connection with our investment banking loan syndication activities. We repaid Jefferies Finance the entire outstanding principal amount of this note on May 15, 2019. Interest paid on the note of $3.8 million is included in Interest expense within our Consolidated Statements of Earnings.

Berkadia

Berkadia is a commercial mortgage banking and servicing joint venture that was formed in 2009 by Jefferies and Berkshire Hathaway Inc. On October 1, 2018, Jefferies transferred its 50% voting equity interest in Berkadia and related arrangements to us. As a result, we are entitled to receive 45% of the profits of Berkadia. Berkadia originates commercial/multifamily real estate loans that are sold to U.S. government agencies, and originates and brokers commercial/multifamily mortgage loans which are not part of government agency programs. Berkadia is an investment sales advisor focused on the multifamily industry. Berkadia is a servicer of commercial real estate loans in the U.S., performing primary, master and special servicing functions for U.S. government agency programs, commercial mortgage-backed securities transactions, banks, insurance companies and other financial institutions.

The following is a summary of selected financial information for Berkadia (in millions):

	August 31, 2019	November 30, 2018
Our total equity balance	$ 270.5	$ 245.2

	Three Months Ended August 31, 2019	Nine Months Ended August 31, 2019
Net earnings	$ 53.8	$ 160.3

At August 31, 2019 and November 30, 2018, we had commitments to purchase $464.4 million and $723.8 million, respectively, in agency CMBS from Berkadia. During the three and nine months ended August 31, 2019, we received $29.6 million and $47.7 million, respectively, in distributions from

Berkadia on our equity interest.

JCP Fund V

The amount of our investments in JCP Fund V included in Financial instruments owned, at fair value in our Consolidated Statements of Financial Condition was $26.0 million and $31.9 million at August 31, 2019 and November 30, 2018, respectively. We account for these investments at fair value based on the NAV of the funds provided by the fund managers (see Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018). The following summarizes the results from these investments which are included in Principal transactions revenues in our Consolidated Statements of Earnings (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net gains (losses) from our investments in JCP Fund V	$ (2.5)	$ 0.3	$ (1.9)	$ 10.1

At both August 31, 2019 and November 30, 2018, we were committed to invest equity of up to $85.0 million in JCP Fund V. At August 31, 2019 and November 30, 2018, our unfunded commitment relating to JCP Fund V was $9.4 million and $9.7 million, respectively.

The following is a summary of the Net change in net assets resulting from operations for 100.0% of JCP Fund V, in which we owned effectively 35.2% of the combined equity interests (in thousands):

	Three Months Ended					
	June 30, 2019 (1)	March 31, 2019 (1)	December 31, 2018 (1)	June 30, 2018 (1)	March 31, 2018 (1)	December 31, 2017 (1)
Net increase (decrease) in net assets resulting from operations	$ (7,174)	$ (1,169)	$ (8,412)	$ 1,663	$ 8,463	$ 19,712

(1) Financial information for JCP Fund V within our results of operations for the three and nine months ended August 31, 2019 and 2018 is included based on the presented periods.

Epic Gas

On July 14, 2015, Jefferies LLC purchased common shares of Epic Gas. At November 30, 2018, we owned approximately 21.1% of the outstanding common stock of Epic Gas and one of our directors served on the Board of Directors of Epic Gas and owned common shares of Epic Gas. During the nine months ended August 31, 2019, we sold all of our common shares of Epic Gas, at fair value, for a total of $24.6 million. There was a gain of $2.8 million on this transaction, which is included in Other revenue in our Consolidated Statements of Earnings. At November 30, 2018, our investment in Epic Gas of $21.7 million was included in Loans to and investments in related parties in our Consolidated Statements of Financial Condition. For the three months ended December 31, 2018, March 31, 2018 and December 31, 2017, Epic Gas reported net earnings (losses) of $0.9 million, $(2.7) million, and $(16.4) million, respectively.

Note 10. Goodwill and Intangible Assets

Goodwill

Goodwill attributed to our reportable business segments are as follows (in thousands):

	August 31, 2019	November 30, 2018
Capital Markets	$ 1,635,200	$ 1,638,778
Asset Management	3,374	3,392

Total goodwill	$ 1,638,574	$ 1,642,170

The following table is a summary of the changes to goodwill for the nine months ended August 31, 2019 (in thousands):

Balance at November 30, 2018	$ 1,642,170
Translation adjustments	(3,596)
Balance at August 31, 2019	$ 1,638,574

Goodwill Impairment Testing

A reporting unit is an operating segment or one level below an operating segment. The quantitative goodwill impairment test is performed at the level of the reporting unit and consists of two steps. In the first step, the fair value of each reporting unit is compared with its carrying value, including goodwill and allocated intangible assets. If the fair value is in excess of the carrying value, the goodwill for the reporting unit is considered not to be impaired. If the fair value is less than the carrying value, then a second step is performed in order to measure the amount of the impairment loss, if any, which is based on comparing the implied fair value of the reporting unit's goodwill to the carrying value of the reporting unit's goodwill.

Allocated tangible equity plus allocated goodwill and intangible assets are used for the carrying amount of each reporting unit. The amount of tangible equity allocated to a reporting unit is based on our cash capital model deployed in managing our businesses, which seeks to approximate the capital a business would require if it were operating independently. Intangible assets are allocated to a reporting unit based on either specifically identifying a particular intangible asset as pertaining to a reporting unit or, if shared among reporting units, based on an assessment of the reporting unit's benefit from the intangible asset in order to generate results.

Estimating the fair value of a reporting unit requires management judgment. Estimated fair values for our reporting units were determined using a market valuation method that incorporates price-to-earnings and price-to-book multiples of comparable public companies. In addition, as the fair values determined under the market approach represent a noncontrolling interest, we applied a control premium to arrive at the estimated fair value of each reporting unit on a controlling basis. We engaged an independent valuation specialist to assist us in our valuation process at August 1, 2019.

Our annual goodwill impairment testing at August 1, 2019 did not indicate any goodwill impairment in any of our reporting units. Substantially all of our goodwill is allocated to our Investment Banking, Equities and Fixed Income reporting units, which are part of our Capital Markets reportable business segment, for which the results of our assessment indicated that these reporting units had a fair value in excess of their carrying amounts based on current projections. At August 31, 2019, goodwill allocated to these reporting units is $1,635.2 million of total goodwill of $1,638.6 million.

Intangible Assets

Intangible assets are included in Other assets in our Consolidated Statements of Financial Condition. The following tables present the gross carrying amount, changes in carrying amount, net carrying amount and weighted average amortization period of identifiable intangible assets at August 31, 2019 and November 30, 2018 (dollars in thousands):

	August 31, 2019				Weighted average remaining lives (years)
	Gross cost	Impairment losses	Accumulated amortization	Net carrying amount	
Customer relationships	$ 125,066	$ —	$ (64,792)	$ 60,274	10.1
Trade name	127,600	—	(23,697)	103,903	28.5
Exchange and clearing organization membership interests and registrations	8,516	(291)	—	8,225	N/A
Total	$ 261,182	$ (291)	$ (88,489)	$ 172,402	

	November 30, 2018			Weighted average remaining lives (years)
	Gross cost	Accumulated amortization	Net carrying amount	
Customer relationships	$ 125,574	$ (58,892)	$ 66,682	10.6
Trade name	128,348	(21,086)	107,262	29.3
Exchange and clearing organization membership interests and registrations	8,524	—	8,524	N/A
Total	$ 262,446	$ (79,978)	$ 182,468	

We performed our annual impairment testing of intangible assets with an indefinite useful life, which consists of exchange and clearing organization membership interests and registrations, at August 1, 2019. We elected to perform a quantitative assessment of membership interests and registrations that have available quoted sales prices as well as certain other membership interests and registrations that have declined in utilization. A qualitative assessment was performed on the remainder of our indefinite-life intangible assets. In applying our quantitative assessment at August 1, 2019, we recognized an impairment loss of $291,000 on certain exchange membership interests and registrations. With regard to our qualitative assessment of the remaining indefinite-life intangible assets, based on our assessment of market conditions, the utilization of the assets and the replacement costs associated with the assets, we have concluded that it is not more likely than not that the intangible assets are impaired.

Amortization Expense

For finite life intangible assets, aggregate amortization expense amounted to $3.0 million and $9.0 million for the three and nine months ended August 31, 2019 and 2018, respectively. These expenses are included in Other expenses in our Consolidated Statements of Earnings.

The estimated future amortization expense for the five succeeding fiscal years is as follows (in thousands):

Remainder of fiscal 2019	$ 3,049
Year ending November 30, 2020	12,198
Year ending November 30, 2021	12,198
Year ending November 30, 2022	9,256
Year ending November 30, 2023	8,268

Note 11. Short-Term Borrowings

Short-term borrowings at August 31, 2019 and November 30, 2018 include the following and mature in one year or less (in thousands):

	August 31, 2019	November 30, 2018
Bank loans	$ 518,914	$ 330,942
Floating rate puttable notes	—	56,550
Total short-term borrowings	$ 518,914	$ 387,492

At August 31, 2019, the weighted average interest rate on short-term borrowings outstanding is 3.42% per annum. Average daily short-term borrowings outstanding were $496.5 million and $580.8 million for the three and nine months ended August 31, 2019, respectively, $422.9 million and $498.6 million for the three and nine months ended August 31, 2018, respectively.

Our floating rate puttable notes with a principal amount of €50.0 million matured on July 29, 2019.

On March 28, 2019, we entered into a promissory note with Jefferies Finance, which was repaid on May 15, 2019. For further information on this promissory note, refer to Note 9, Investments.

On December 27, 2018, one of our subsidiaries entered into a credit facility agreement ("Credit Facility") with JPMorgan Chase Bank, N.A. for a committed amount of $135.0 million, which is included in bank loans. Interest is based on an annual alternative base rate or an adjusted London Interbank Offered Rate ("LIBOR"), as defined in the Credit Facility. The Credit Facility contains certain covenants that, among other things, require Jefferies Group LLC to maintain a specified level of tangible net worth. The covenants also require the borrower to maintain specified leverage amounts and impose certain restrictions on the borrower's future indebtedness. During the nine months ended August 31, 2019, we were in compliance with all debt covenants under the Credit Facility.

The Bank of New York Mellon has agreed to make revolving intraday credit advances ("Intraday Credit Facility") for an aggregate committed amount of $150.0 million. The Intraday Credit Facility contains financial covenants, which include a minimum regulatory net capital requirement for Jefferies LLC. Interest is based on the higher of the Federal funds effective rate plus 0.5% or the prime rate. At August 31, 2019, we were in compliance with debt covenants under the Intraday Credit Facility.

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Note 12. Long-Term Debt

The following summarizes our long-term debt carrying values (including unamortized discounts and premiums, valuation adjustments and debt issuance costs, where applicable) (in thousands):

	Maturity	Effective Interest Rate	August 31, 2019	November 30, 2018
Unsecured long-term debt:				
8.500% Senior Notes	July 15, 2019	—%	$ —	$ 699,659
2.375% Euro Medium Term Notes	May 20, 2020	2.42%	548,566	564,702
6.875% Senior Notes	April 15, 2021	4.40%	779,078	791,814
2.250% Euro Medium Term Notes	July 13, 2022	4.08%	4,171	4,243
5.125% Senior Notes	January 20, 2023	4.55%	610,762	612,928
1.000% Euro Medium Term Notes	July 19, 2024	1.00%	546,855	—
4.850% Senior Notes (1)	January 15, 2027	4.93%	782,156	709,484
6.450% Senior Debentures	June 8, 2027	5.46%	371,998	373,669
4.150% Senior Notes	January 23, 2030	4.26%	988,440	987,788
6.250% Senior Debentures	January 15, 2036	6.03%	511,363	511,662
6.500% Senior Notes	January 20, 2043	6.09%	420,338	420,625
Structured notes (2)	Various	Various	1,014,509	686,170
Total unsecured long-term debt			6,578,236	6,362,744
Secured long-term debt:				
Revolving Credit Facility			188,927	183,539
Total long-term debt (3)			$ 6,767,163	$ 6,546,283

(1) These senior notes with a principal amount of $750.0 million were issued on January 17, 2017. The carrying value includes a loss of $72.3 million and a gain of $24.1 million in the nine months ended August 31, 2019 and 2018, respectively, associated with an interest rate swap based on its designation as a fair value hedge. See Note 5, Derivative Financial Instruments, for further information.

(2) These structured notes contain various interest rate payment terms and are accounted for at fair value, with changes in fair value resulting from a change in the instrument-specific credit risk presented in other comprehensive income and changes in fair value resulting from non-credit components recognized in Principal transactions revenues. A weighted average coupon rate is not meaningful, as all of the structured notes are carried at fair value.

(3) The total Long-term debt has a fair value of $7,046.6 million and $6,423.6 million at August 31, 2019 and November 30, 2018, respectively, which would be classified as Level 2 and Level 3 in the fair value hierarchy.

During the nine months ended August 31, 2019, long-term debt increased $220.9 million. This increase is primarily due to structured notes issuances with a total principal amount of approximately $283.2 million, net of retirements. In addition, on July 19, 2019, under our $2.5 billion Euro

Medium Term Note Program, we issued 1.000% senior unsecured notes with a principal amount of $553.6 million, due 2024. Proceeds amounted to $551.4 million. The increase in long-term debt was partially offset by repayments of $680.8 million of our 8.500% senior notes. During the nine months ended August 31, 2018, we issued 4.150% senior notes with a total principal amount of $1.0 billion, due 2030, and structured notes with a total principal amount of approximately $162.6 million, net of retirements.

In addition, on January 5, 2018, our remaining convertible debentures ($324.8 million at November 30, 2017) were redeemed at a redemption price equal to 100% of the principal amount of the convertible debentures redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. In addition, in April 2018, our remaining 5.125% senior notes with a principal amount of $668.3 million were redeemed.

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We have a senior secured revolving credit facility ("Revolving Credit Facility") with a group of commercial banks for an aggregate principal amount of $190.0 million. The Revolving Credit Facility contains certain covenants that, among other things, requires Jefferies Group LLC to maintain specified level of tangible net worth and liquidity amounts, and imposes certain restrictions on future indebtedness of and requires specified levels of regulated capital for certain of our subsidiaries. Interest is based on an annual alternative base rate or an adjusted LIBOR, as defined in the Revolving Credit Facility agreement. The obligations of certain of our subsidiaries under the Revolving Credit Facility are secured by substantially all its assets. At August 31, 2019, we were in compliance with the debt covenants under the Revolving Credit Facility.

Note 13. Revenues from Contracts with Customers

The following table presents our total revenues separated for our revenues from contracts with customers and our other sources of revenues (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Revenues from contracts with customers:				
Commissions and other fees (1)	$ 171,003	$ 162,700	$ 493,843	$ 482,194
Investment banking	412,533	465,326	1,128,216	1,405,614
Asset management fees	3,340	5,184	14,559	16,130
Total revenue from contracts with customers	586,876	633,210	1,636,618	1,903,938
Other sources of revenue:				
Principal transactions	148,873	143,308	632,002	498,583
Interest	383,596	305,347	1,163,022	870,490
Other	22,286	6,420	79,354	58,678
Total revenues	$ 1,141,631	$ 1,088,285	$ 3,510,996	$ 3,331,689

(1) During the third quarter of 2019, we have reclassified the presentation of certain other fees, primarily related to prime brokerage services offered to clients. These fees were previously presented as Other revenues in our Consolidated Statements of Earnings and are now presented within Commissions and other fees. There is no impact on Total revenues as a result of this change in presentation. Previously reported results are presented on a comparable basis.

Revenue from contracts with customers is recognized when, or as, we satisfy our performance obligations by transferring the promised goods or services to the customers. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognized by measuring our progress in satisfying the performance obligation in a manner that depicts the transfer of the goods or services to the customer. Revenue from a performance obligation satisfied at a point in time is recognized at the point in time that we determine the customer obtains control over the promised good or service. The amount of revenue recognized reflects the consideration we expect to be entitled to in exchange for those promised goods or services (*i.e.*, the "transaction price"). In determining the transaction price, we consider multiple factors, including the effects of variable consideration. Variable consideration is included in the transaction price only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainties with respect to the amount are resolved. In determining when to include variable consideration in the transaction price, we consider the range of possible outcomes, the predictive value of our past experiences, the time period of when uncertainties expect to be resolved and the amount of consideration that is susceptible to factors outside of our influence, such as market volatility or the judgment and actions of third parties.

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The following provides detailed information on the recognition of our revenues from contracts with customers:

Commissions and Other Fees. We earn commission and other fee revenue by executing, settling and clearing transactions for clients primarily in equity, equity-related and futures products. Trade execution and clearing services, when provided together, represent a single performance obligation as the services are not separately identifiable in the context of the contract. Commission revenues associated with combined trade execution and clearing services, as well as trade execution services on a standalone basis, are recognized at a point in time on trade-date. Commissions revenues are generally paid on settlement date and we record a receivable between trade-date and payment on settlement date. We permit institutional customers to allocate a portion of their gross commissions to pay for research products and other services provided by third parties. The amounts allocated for those purposes are commonly referred to as soft dollar arrangements. We act as an agent in the soft dollar arrangements as the customer controls the use of the soft dollars and directs our payments to third-party service providers on its behalf. Accordingly, amounts allocated to soft dollar arrangements are netted against commission revenues in our Consolidated Statements of Earnings.

We earn account advisory and distribution fees in connection with wealth management services. Account advisory fees are recognized over time using the time-elapsed method as we determined that the customer simultaneously receives and consumes the benefits of investment advisory services as they are provided. Account advisory fees may be paid in advance of a specified service period or in arrears at the end of the specified service period (*e.g.*, quarterly). Account advisory fees paid in advance are initially deferred within Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. Distribution fees are variable and recognized when the uncertainties with respect to the amounts are resolved.

Investment Banking. We provide our clients with a full range of capital markets and financial advisory services. Capital markets services include underwriting and placement agent services in both the equity and debt capital markets, including private equity placements, initial public offerings, follow-on offerings and equity-linked convertible securities transactions and structuring, underwriting and distributing public and private debt, including investment grade debt, high yield bonds, leveraged loans, municipal bonds and mortgage- and asset-backed securities. Underwriting and placement agent revenues are recognized at a point in time on trade-date, as the client obtains the control and benefit of the capital markets offering at that point. Costs associated with capital markets transactions are deferred until the related revenue is recognized or the engagement is otherwise concluded, and are recorded on a gross basis within Underwriting costs in the Consolidated Statements of Earnings as we are acting as a principal in the arrangement. Any expenses reimbursed by our clients are recognized as Investment banking revenues.

Revenues from financial advisory services primarily consist of fees generated in connection with merger, acquisition and restructuring transactions. Advisory fees from mergers and acquisitions engagements are recognized at a point in time when the related transaction is completed, as the performance obligation is to successfully broker a specific transaction. Fees received prior to the completion of the transaction are deferred within Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. Advisory fees from restructuring engagements are recognized over time using a time elapsed measure of progress as our clients simultaneously receive and consume the benefits of those services as they are provided. A significant portion of the fees we receive for our advisory services are considered variable as they are contingent upon a future event (*e.g.*, completion of a transaction or third-party emergence from bankruptcy) and are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved, which is expected to occur upon achievement of the specified milestone. Payment for advisory services are generally due promptly upon completion of a specified milestone or, for retainer fees, periodically over the course of the engagement. We recognize a receivable between the date of completion of the milestone and payment by the customer. Expenses associated with investment banking advisory engagements are deferred only to the extent they are explicitly reimbursable by the client and the related revenue is recognized at a point in time. All other investment banking advisory related expenses, including expenses incurred related to restructuring assignments, are expensed as incurred. All investment banking advisory expenses are recognized within their respective expense category in the Consolidated Statements of Earnings and any expenses reimbursed by our clients are recognized as Investment banking revenues.

Asset Management Fees. We earn management and performance fees in connection with investment advisory services provided to various funds and accounts, which are satisfied over time and measured using a time elapsed measure of progress as the customer receives the benefits of the services evenly throughout the term of the contract. Management and performance fees are considered variable as they are subject to fluctuation (*e.g.*, changes in assets under management, market performance) and/ or are contingent on a future event during the measurement period (*e.g.*, meeting a specified benchmark) and are recognized only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. Management fees are generally based on month-end assets under management or an agreed upon notional amount and are included in the transaction price at the end of each month when the assets under management or notional amount is known. Performance fees are received when the return on assets under management for a specified performance period exceed certain benchmark returns, “high-water marks” or other performance targets. The performance period related to our performance fees is annual or semi-annual. Accordingly, performance fee revenue will generally be recognized only at the end of the performance period to the extent that the benchmark return has been met.

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Disaggregation of Revenue

The following presents our revenues from contracts with customers disaggregated by major business activity and primary geographic regions (in thousands):

	Three Months Ended August 31,						Nine Months Ended August 31,					
	2019			2018			2019			2018		
	Reportable Segment			Reportable Segment			Reportable Segment			Reportable Segment		
	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total
Major business activity:												
Equities (1)	$ 167,528	$ —	$ 167,528	$ 159,693	$ —	$ 159,693	$ 483,771	$ —	$ 483,771	$ 471,683	$ —	$ 471,683
Fixed income (1)	3,475	—	3,475	3,007	—	3,007	10,072	—	10,072	10,511	—	10,511
Investment banking - Capital markets	199,183	—	199,183	277,735	—	277,735	555,830	—	555,830	809,884	—	809,884
Investment banking - Advisory	213,350	—	213,350	187,591	—	187,591	572,386	—	572,386	595,730	—	595,730
Asset management	—	3,340	3,340	—	5,184	5,184	—	14,559	14,559	—	16,130	16,130
Total	$ 583,536	$ 3,340	$ 586,876	$ 628,026	$ 5,184	$ 633,210	$ 1,622,059	$ 14,559	$ 1,636,618	$ 1,887,808	$ 16,130	$ 1,903,938
Primary geographic region:												
Americas	$ 476,983	$ 1,937	$ 478,920	$ 546,219	$ 5,184	$ 551,403	$ 1,288,046	$ 8,818	$ 1,296,864	$ 1,628,503	$ 16,130	$ 1,644,633
Europe	88,890	1,403	90,293	62,914	—	62,914	280,605	5,741	286,346	203,103	—	203,103
Asia	17,663	—	17,663	18,893	—	18,893	53,408	—	53,408	56,202	—	56,202
Total	$ 583,536	$ 3,340	$ 586,876	$ 628,026	$ 5,184	$ 633,210	$ 1,622,059	$ 14,559	$ 1,636,618	$ 1,887,808	$ 16,130	$ 1,903,938

(1) Revenues from contracts with customers associated with the equities and fixed income businesses primarily represent commissions and other fee revenue.

Refer to Note 18, Segment Reporting, for a further discussion on the allocation of revenues to geographic regions.

Information on Remaining Performance Obligations and Revenue Recognized from Past Performance

We do not disclose information about remaining performance obligations pertaining to contracts that have an original expected duration of one year or less. The transaction price allocated to remaining unsatisfied or partially unsatisfied performance obligations with an original expected duration exceeding one year was not material at August 31, 2019. Investment banking advisory fees that are contingent upon completion of a specific milestone and fees associated with certain distribution services are also excluded as the fees are considered variable and not included in the transaction price at August 31, 2019.

During the three and nine months ended August 31, 2019, we recognized $9.6 million and $27.2 million, respectively, compared with $4.4 million and $18.3 million, during the three and nine months ended August 31, 2018, respectively, of revenue related to performance obligations satisfied (or partially satisfied) in previous periods, mainly due to resolving uncertainties in variable consideration that was constrained in prior periods. In addition, we recognized $6.0 million and $15.8 million, during the three and nine months ended August 31, 2019, respectively, compared with $4.6 million and $13.5 million, during the three and nine months ended August 31, 2018, respectively, of revenues primarily associated with distribution services, a portion of which relates to prior periods.

Contract Balances

The timing of our revenue recognition may differ from the timing of payment by our customers. We record a receivable when revenue is recognized prior to payment and we have an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, we record deferred revenue until the performance obligations are satisfied.

We had receivables related to revenues from contracts with customers of $205.8 million and $199.0 million at August 31, 2019 and November 30, 2018, respectively. We had no significant impairments related to these receivables during the three and nine months ended August 31, 2019 and 2018.

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Our deferred revenue primarily relates to retainer and milestone fees received in investment banking advisory engagements where the performance obligation has not yet been satisfied. Deferred revenues at August 31, 2019 and November 30, 2018 were $8.5 million and $10.6 million, respectively, which are recorded in Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. During the three and nine months ended August 31, 2019, we recognized revenues of $9.4 million and $6.3 million, respectively, compared with $2.2 million and $4.0 million, during the three and nine months ended August 31, 2018, respectively, that were recorded as deferred revenue at the beginning of the periods.

Contract Costs

We capitalize costs to fulfill contracts associated with investment banking advisory engagements where the revenue is recognized at a point in time and the costs are determined to be recoverable. Capitalized costs to fulfill a contract are recognized at the point in time that the related revenue is recognized.

At August 31, 2019 and November 30, 2018, capitalized costs to fulfill a contract were $4.4 million and $4.7 million, respectively, which are recorded in Receivables – Fees, interest and other in the Consolidated Statements of Financial Condition. For the three and nine months ended August 31, 2019, we recognized expenses of $1.6 million and $3.8 million, respectively, compared with $1.5 million for both the three and nine months ended August 31, 2018, related to costs to fulfill a contract that were capitalized as of the beginning of the period. There were no significant impairment charges recognized in relation to these capitalized costs during the three and nine months ended August 31, 2019 and 2018.

Note 14. Compensation Plans

Jefferies sponsors our following share-based compensation plans: Incentive Compensation Plan, Employee Stock Purchase Plan and the Deferred Compensation Plan. The outstanding and future share-based awards relating to these plans relate to Jefferies common shares. The fair value of share-based awards is estimated on the date of grant based on the market price of the underlying common stock less the impact of market conditions and selling restrictions subsequent to vesting, if any, and is amortized as compensation expense over the related requisite service periods. We are allocated costs associated with awards granted to our employees under such plans.

In addition, we sponsor non-share-based compensation plans. Non-share-based compensation plans sponsored by us include a profit sharing plan and other forms of restricted cash awards.

The components of total compensation cost associated with certain of our compensation plans are as follows (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Components of compensation cost:				
Restricted cash awards	$ 72.3	$ 60.0	$ 205.1	$ 183.6
Restricted stock and RSUs (1)	6.6	7.1	19.6	21.1
Profit sharing plan	1.2	1.1	6.4	5.6
Total compensation cost	$ 80.1	$ 68.2	$ 231.1	$ 210.3

(1) Total compensation cost associated with restricted stock and restricted stock units ("RSUs") includes the amortization of sign-on, retention and senior executive awards, less forfeitures and clawbacks.

Remaining unamortized amounts related to certain compensation plans at August 31, 2019 are as follows (dollars in millions):

	Remaining Unamortized Amounts	Weighted Average Vesting Period (in Years)
Non-vested share-based awards	$ 53.7	3
Restricted cash awards	498.1	3
Total	$ 551.8	

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For detailed descriptions on the Company's compensation plans, see Note 15, Compensation Plans, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

Note 15. Income Taxes

At August 31, 2019 and November 30, 2018, we had approximately $126.2 million and $125.6 million, respectively, of total gross unrecognized tax benefits. The total amount of unrecognized benefits that, if recognized, would favorably affect the effective tax rate was $99.8 million and $99.4 million (net of Federal benefit) at August 31, 2019 and November 30, 2018, respectively.

We recognize interest accrued related to unrecognized tax benefits in Interest expense. Penalties, if any, are recognized in Other expenses in our Consolidated Statements of Earnings. At August 31, 2019 and November 30, 2018, we had interest accrued of approximately $53.9 million and $49.3 million, respectively, included in Accrued expenses and other liabilities. No penalties were accrued for the nine months ended August 31, 2019 and the year ended November 30, 2018.

We are currently under examination in a number of major tax jurisdictions. Though we do not expect that the resolution of these examinations will have a material effect on our consolidated financial position, they may have a material impact on our consolidated results of operations for the period in which the resolution occurs.

The table below summarizes the earliest tax years that remain subject to examination in the major tax jurisdictions in which we operate:

Jurisdiction	Tax Year
United States	2016
California	2009
New Jersey	2010
New York State	2001
New York City	2003
United Kingdom	2016
Hong Kong	2013
India	2010
Italy	2012

During the quarter ended February 28, 2019, we increased the provisional tax charge that had been recorded during the year ended November 30, 2018 by $0.2 million resulting in a total tax charge of $165.3 million, as a result of the Tax Act. Of this amount, $112.7 million related to the write down of our deferred tax asset, reflecting the impact of a lower federal tax rate of 21% on our deferred tax items. The remaining part of the charge related to the transition tax on the deemed repatriation of unremitted foreign earnings. The measurement period as permitted by Staff Accounting Bulletin No. 118, which was issued by SEC staff on December 22, 2017, was closed during the quarter ended February 28, 2019 and we have completed our accounting as it relates to the Tax Act.

The new tax on global intangible low-taxed income ("GILTI"), became applicable in fiscal 2019. As a result, we made an accounting policy election in the first quarter of 2019 to treat GILTI as a period cost if and when incurred.

For the nine months ended August 31, 2019, the provision for income taxes was $79.8 million, equating to an effective tax rate of 26.5%. For the nine months ended August 31, 2018, the provision for income taxes was $234.3 million, equating to an effective tax rate of 70.6%. The provision for income taxes for the nine months ended August 31, 2018 included a $160.2 million provisional tax charge related to the enactment of the Tax Act.

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Note 16. Commitments, Contingencies and Guarantees

Commitments

The following table summarizes our commitments at August 31, 2019 (in millions):

	Expected Maturity Date (fiscal years)					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Maximum Payout
Equity commitments (1)	$ —	$ 123.5	$ —	$ —	$ 11.5	$ 135.0
Loan commitments (1)	—	250.0	54.1	12.0	—	316.1
Underwriting commitments	31.5	—	—	—	—	31.5
Forward starting reverse repos (2)	2,994.6	—	—	—	—	2,994.6
Forward starting repos (2)	4,082.9	—	—	—	—	4,082.9
Other unfunded commitments (1)	80.0	—	143.7	—	4.9	228.6
Total commitments	$ 7,189.0	$ 373.5	$ 197.8	$ 12.0	$ 16.4	$ 7,788.7

(1) Equity, loan and other unfunded commitments are presented by contractual maturity date. The amounts, however, are available on demand.

(2) $2,991.6 million within forward starting securities purchased under agreements to resell and all of the securities sold under agreements to repurchase at August 31, 2019 settled within three business days.

Equity Commitments. Includes a commitment to invest in our joint venture, Jefferies Finance, and commitments to invest in private equity funds and in Jefferies Capital Partners, LLC, the manager of the private equity funds, which consists of a team led by one of our directors and Chairman of the Executive Committee. At August 31, 2019, our outstanding commitments relating to Jefferies Capital Partners, LLC and its private equity funds were $17.7 million.

See Note 9, Investments, for additional information regarding our investments in Jefferies Finance.

Additionally, at August 31, 2019, we had other outstanding equity commitments to invest up to $11.0 million in various other investments.

Loan Commitments. From time to time we make commitments to extend credit to investment banking and other clients in loan syndication, acquisition finance and securities transactions and to SPE sponsors in connection with the funding of CLO and other asset-backed transactions. These commitments and any related drawdowns of these facilities typically have fixed maturity dates and are contingent on certain representations, warranties and contractual conditions applicable to the borrower. At August 31, 2019, we had $66.1 million of outstanding loan commitments to clients.

Loan commitments outstanding at August 31, 2019 also include our portion of the outstanding secured revolving credit facility provided to Jefferies Finance to support loan underwritings by Jefferies Finance. See Note 9, Investments, for additional information.

Underwriting Commitments. In connection with investment banking activities, we may from time to time provide underwriting commitments to our clients in connection with capital raising transactions.

Forward Starting Reverse Repos and Repos. We enter into commitments to take possession of securities with agreements to resell on a forward starting basis and to sell securities with agreements to repurchase on a forward starting basis that are primarily secured by U.S. government and agency securities.

Other Unfunded Commitments. Other unfunded commitments include obligations in the form of revolving notes, warehouse financings and debt securities to provide financing to asset-backed and CLO vehicles. Upon advancing funds, drawn amounts are collateralized by the assets of an entity.

Guarantees

Derivative Contracts. As a dealer, we make markets and trade in a variety of derivative instruments. Certain derivative contracts that we have entered into meet the accounting definition of a guarantee under U.S. GAAP, including credit default swaps, written foreign currency options and written equity put options. On certain of these contracts, such as written interest rate caps and foreign currency options, the maximum payout

cannot be quantified since the increase in interest or foreign exchange rates are not contractually limited by the terms of the contract. As such, we have disclosed notional values as a measure of our maximum potential payout under these contracts.

The following table summarizes the notional amounts associated with our derivative contracts meeting the definition of a guarantee under U.S. GAAP at August 31, 2019 (in millions):

	Expected Maturity Date (Fiscal Years)					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Notional/ Maximum Payout
Guarantee Type:						
Derivative contracts—non-credit related	$ 7,075.0	$ 4,115.5	$ 4,627.6	$ 3,612.0	$ 320.6	$ 19,750.7
Written derivative contracts—credit related	—	32.9	—	39.2	—	72.1
Total derivative contracts	$ 7,075.0	$ 4,148.4	$ 4,627.6	$ 3,651.2	$ 320.6	$ 19,822.8

The derivative contracts deemed to meet the definition of a guarantee under U.S. GAAP are before consideration of hedging transactions and only reflect a partial or “one-sided” component of any risk exposure. Written equity options and written credit default swaps are often executed in a strategy that is in tandem with long cash instruments (*e.g.*, equity and debt securities). We substantially mitigate our exposure to market risk on these contracts through hedges, such as other derivative contracts and/or cash instruments, and we manage the risk associated with these contracts in the context of our overall risk management framework. We believe notional amounts overstate our expected payout and that fair value of these contracts is a more relevant measure of our obligations. At August 31, 2019, the fair value of derivative contracts meeting the definition of a guarantee is approximately $239.0 million.

Standby Letters of Credit. At August 31, 2019, we provided guarantees to certain counterparties in the form of standby letters of credit totaling $36.9 million, all of which expire within one year. Standby letters of credit commit us to make payment to the beneficiary if the guaranteed party fails to fulfill its obligation under a contractual arrangement with that beneficiary. Since commitments associated with these collateral instruments may expire unused, the amount shown does not necessarily reflect the actual future cash funding requirement.

Other Guarantees. We are members of various exchanges and clearing houses. In the normal course of business, we provide guarantees to securities clearing houses and exchanges. These guarantees generally are required under the standard membership agreements, such that members are required to guarantee the performance of other members. Additionally, if a member becomes unable to satisfy its obligations to the clearing house, other members would be required to meet these shortfalls. To mitigate these performance risks, the exchanges and clearing houses often require members to post collateral. Our obligations under such guarantees could exceed the collateral amounts posted. Our maximum potential liability under these arrangements cannot be quantified; however, the potential for us to be required to make payments under such guarantees is deemed remote. Accordingly, no liability has been recognized for these arrangements.

Note 17. Net Capital Requirements

As a broker-dealer registered with the SEC and member firms of the Financial Industry Regulatory Authority (“FINRA”), Jefferies LLC is subject to the SEC Uniform Net Capital Rule (“Rule 15c3-1”), which requires the maintenance of minimum net capital, and has elected to calculate minimum capital requirements using the alternative method permitted by Rule 15c3-1 in calculating net capital. Jefferies LLC, as a dually-registered U.S broker -dealer and futures commission merchant (“FCM”), is also subject to Rule 1.17 of the Commodity Futures Trading Commission (“CFTC”), which sets forth minimum financial requirements. The minimum net capital requirement in determining excess net capital for a dually-registered U.S. broker-dealer and FCM is equal to the greater of the requirement under Rule 15c3-1 or CFTC Rule 1.17.

At August 31, 2019, Jefferies LLC’s net capital and excess net capital were as follows (in thousands):

	Net Capital	Excess Net Capital
Jefferies LLC	$ 1,474,186	$ 1,356,458

FINRA is the designated examining authority for our U.S. broker-dealer and the National Futures Association is the designated self-regulatory organization for Jefferies LLC as an FCM.

Certain other U.S. and non-U.S. subsidiaries are subject to capital adequacy requirements as prescribed by the regulatory authorities in their respective jurisdictions, including Jefferies International Limited, which is authorized and regulated by the Financial Conduct Authority in the U.K.

The regulatory capital requirements referred to above may restrict our ability to withdraw capital from our regulated subsidiaries.

Note 18. Segment Reporting

We operate in two reportable business segments – Capital Markets and Asset Management. The Capital Markets reportable business segment includes our securities, commodities, futures and foreign exchange trading activities and investment banking business, which is composed of underwriting and financial advisory activities. The Capital Markets reportable business segment provides the sales, trading, origination and advisory effort for various fixed income, equity and advisory products and services. The Asset Management reportable business segment provides investment management services to investors in the U.S. and overseas and invests capital in hedge funds, separately managed accounts and third-party asset managers.

Our reportable business segment information is prepared using the following methodologies:

- Net revenues and non-interest expenses directly associated with each reportable business segment are included in determining earnings (loss) before income taxes.
- Net revenues and non-interest expenses not directly associated with specific reportable business segments are allocated based on the most relevant measures applicable, including each reportable business segment's net revenues, headcount and other factors.
- Reportable business segment assets include an allocation of indirect corporate assets that have been fully allocated to our reportable business segments, generally based on each reportable business segment's capital utilization.

In the fourth quarter of 2018, Jefferies transferred to us investments in certain separately managed accounts and funds. Due to this transfer, we have made changes to the presentation of our segment reporting in the fourth quarter of 2018 and are including investment income from our investments in these separately managed accounts and funds within our Asset Management business segment. Previously reported results are presented on a comparable basis. See Note 1, Organization and Basis of Presentation for further details on this transfer.

Our net revenues, non-interest expenses and earnings (loss) before income taxes by reportable business segment are summarized below (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Capital Markets:				
Net revenues	$ 757.4	$ 767.0	$ 2,274.9	$ 2,389.0
Non-interest expenses	671.2	678.6	1,991.0	2,048.8
Earnings before income taxes	$ 86.2	$ 88.4	$ 283.9	$ 340.2
Asset Management:				
Net revenues	$ 19.8	$ 10.6	$ 89.8	$ 32.4
Non-interest expenses	22.9	11.9	72.9	40.9
Earnings (loss) before income taxes	$ (3.1)	$ (1.3)	$ 16.9	$ (8.5)
Total:				
Net revenues	$ 777.2	$ 777.6	$ 2,364.7	$ 2,421.4

Non-interest expenses	694.1	690.5	2,063.9	2,089.7
Earnings before income taxes	$ 83.1	$ 87.1	$ 300.8	$ 331.7

The following table summarizes our total assets by reportable business segment (in millions):

	August 31, 2019	November 30, 2018
Capital Markets	$ 39,945.6	$ 38,700.7
Asset Management	3,148.0	2,468.1
Total assets	$ 43,093.6	$ 41,168.8

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Net Revenues by Geographic Region

Net revenues for the Capital Market reportable business segment are recorded in the geographic region in which the position was risk-managed or, in the case of investment banking, in which the senior coverage banker is located. For the Asset Management reportable business segment, net revenues are allocated according to the location of the investment advisor. Net revenues by geographic region were as follows (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Americas (1)	$ 613.4	$ 639.7	$ 1,871.3	$ 2,042.4
Europe (2)	136.9	115.9	413.6	313.4
Asia	26.9	22.0	79.8	65.6
Net revenues	$ 777.2	$ 777.6	$ 2,364.7	$ 2,421.4

(1) Substantially all relates to U.S. results.
(2) Substantially all relates to U.K. results.

Note 19. Related Party Transactions

Officers, Directors and Employees. The following sets forth information regarding related party transactions with our officers, directors and employees:

- At August 31, 2019 and November 30, 2018, we had $34.9 million and $39.3 million, respectively, of loans outstanding to certain of our officers and employees (none of whom are executive officers or directors) that are included in Other assets in our Consolidated Statements of Financial Condition.

- Receivables from and payables to customers include balances arising from officers', directors' and employees' individual security transactions. These transactions are subject to the same regulations as all customer transactions and are provided on substantially the same terms.

- One of our directors has investments in a hedge fund managed by us of approximately $3.6 million and $4.6 million at August 31, 2019 and November 30, 2018, respectively.

See Note 8, Variable Interest Entities, and Note 16, Commitments, Contingencies and Guarantees, for further information regarding related party transactions with our officers, directors and employees.

Jefferies. The following is a description of related party transactions with Jefferies and its affiliates:

- We provide services to and receive services from Jefferies under service agreements (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Charges to Jefferies for services provided	$ 9.8	$ 15.8	$ 36.1	$ 46.1
Charges from Jefferies for services received	6.4	2.2	7.8	6.9

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- We provide capital markets and asset management services to Jefferies and its affiliates. The following table presents the revenues earned by type of services provided (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Investment banking	$ 2.4	$ 5.6	$ 10.3	$ 5.6
Commissions and other fees	—	0.1	0.3	0.5
Principal transactions	—	—	—	0.1
Other revenues	1.1	0.3	2.0	0.7

- Receivables from and payables to Jefferies, included in Other assets and Accrued expenses and other liabilities, respectively, in our Consolidated Statements of Financial Condition:

	August 31, 2019	November 30, 2018
Receivable from Jefferies	$ 2.1	$ 1.2
Payable to Jefferies	8.7	2.9

- During the nine months ended August 31, 2019, we paid distributions of $108.7 million to Jefferies, based on our results for the nine months ended May 31, 2019. In addition, on January 29, 2019, our Board of Directors approved a distribution of $100.0 million to Jefferies, which was paid on January 30, 2019. At August 31, 2019, we have accrued a distribution payable of $32.5 million based on our results for the three months ended August 31, 2019.
- Pursuant to a tax sharing agreement entered into between us and Jefferies, payments are made between us and Jefferies to settle current tax receivables and payables. At August 31, 2019, a net current tax receivable of $5.6 million is included in Other assets, and at November 30, 2018, a net current tax payable to Jefferies of $34.1 million is included in Accrued expenses and other liabilities, in our Consolidated Statements of Financial Condition. In December 2018, we made a payment of $35.0 million to Jefferies, which reduced the cumulative net current tax payable balance.
- During the three and nine months ended August 31, 2019, we sold securities at fair value totaling $22.9 million and $40.8 million, respectively, to Jefferies. In addition, during the nine months ended August 31, 2019, we purchased securities totaling $885.6 million from Jefferies, at fair value. There were no gains or losses on these transactions.
- We entered into a foreign exchange prime brokerage agreement with an affiliate of Jefferies in 2017. In connection with the foreign exchange contracts entered into under this agreement we have $22.7 million and $9.9 million at August 31, 2019 and November 30, 2018, respectively, included in Payables— brokers, dealers and clearing organizations and $0.2 million at August 31, 2019 in Financial instruments sold, not yet purchased, at fair value, in our Consolidated Statements of Financial Condition.
- Two of our directors have investments totaling $2.5 million and $2.7 million at August 31, 2019 and November 30, 2018, respectively, in a hedge fund managed by Jefferies.
- We have investments in hedge funds managed by Jefferies of $222.1 million and $218.7 million at August 31, 2019 and November 30, 2018, respectively, included in Financial instruments owned, at fair value in our Consolidated Statements of Financial Condition. Net gains on our investments in these hedge funds, which are included in Principal transactions revenues in our Consolidated Statements of Earnings (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net gains on our investments	$ 1.0	$ 0.5	$ 3.3	$ 5.0

- In connection with our sales and trading activities, from time to time we make a market in long-term debt securities of Jefferies (*i.e.*, we buy and sell debt securities issued by Jefferies). At August 31, 2019 and November 30, 2018, approximately $3.1 million and $0.3 million, respectively, of debt issued by Jefferies are included in Financial instruments owned, at fair value, in our Consolidated Statements of Financial Condition.

JEFFERIES GROUP LLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
(Unaudited)

HRG Group Inc. ("HRG"). We recognized investment banking revenues of $3.0 million for the three and nine months ended August 31, 2018 in connection with the merger of HRG into Spectrum Brands Holdings, Inc., which is partially owned by Jefferies.

For information on transactions with our equity method investees, see Note 9, Investments.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This report contains or incorporates by reference "forward looking statements" within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward looking statements include statements about our future and statements that are not historical facts. These forward looking statements are usually preceded by the words "believe," "intend," "may," "will," or similar expressions. Forward looking statements may contain expectations regarding revenues, earnings, operations and other results, and may include statements of future performance, plans and objectives. Forward looking statements also include statements pertaining to our strategies for future development of our business and products. Forward looking statements represent only our belief regarding future events, many of which by their nature are inherently uncertain. It is possible that the actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements. Information regarding important factors that could cause actual results to differ, perhaps materially, from those in our forward looking statements is contained in this report and other documents we file. You should read and interpret any forward looking statement together with these documents, including the following:

- the description of our business and risk factors contained in our Annual Report on Form 10-K for the year ended November 30, 2018 and filed with the Securities and Exchange Commission ("SEC") on January 29, 2019;

- the discussion of our analysis of financial condition and results of operations contained in this report under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" herein;

- the discussion of our risk management policies, procedures and methodologies contained in this report under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations – Risk Management" herein;

- the notes to the consolidated financial statements contained in this report; and

- cautionary statements we make in our public documents, reports and announcements.

Any forward looking statement speaks only as of the date on which that statement is made. We will not update any forward looking statement to reflect events or circumstances that occur after the date on which the statement is made, except as required by applicable law.

Our business, by its nature, does not produce predictable or necessarily recurring earnings. Our results in any given period can be materially affected by conditions in global financial markets, economic conditions generally and our own activities and positions. For a further discussion of the factors that may affect our future operating results, see “Risk Factors” in Part I, Item IA of our Annual Report on Form 10-K for the year ended November 30, 2018.

Consolidated Results of Operations

Overview

The following table provides an overview of our consolidated results of operations (dollars in thousands):

	Three Months Ended August 31,			Nine Months Ended August 31,		
	2019	2018	% Change	2019	2018	% Change
Net revenues	$ 777,159	$ 777,615	(0.1)%	$ 2,364,728	$ 2,421,418	(2.3)%
Non-interest expenses	694,084	690,514	0.5 %	2,063,930	2,089,714	(1.2)%
Earnings before income taxes	83,075	87,101	(4.6)%	300,798	331,704	(9.3)%
Income tax expense	18,250	26,923	(32.2)%	79,789	234,337	(66.0)%
Net earnings	64,825	60,178	7.7 %	221,009	97,367	127.0 %
Net earnings (loss) attributable to noncontrolling interests	(143)	(4)	N/M	140	(1)	N/M
Net earnings attributable to Jefferies Group LLC	64,968	60,182	8.0 %	220,869	97,368	126.8 %
Effective tax rate	22.0%	30.9%	(28.8)%	26.5%	70.6%	(62.5)%

N/M — Not Meaningful

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JEFFERIES GROUP LLC AND SUBSIDIARIES

Executive Summary

Three Months Ended August 31, 2019

Consolidated Results

- Net revenues for the three months ended August 31, 2019 were $777.2 million, compared with $777.6 million for the three months ended August 31, 2018.
- Our results in the three months ended August 31, 2019 reflect solid performance in equities, fixed income, investment banking and asset management.
- We continued to maintain strong leverage ratios and liquidity and a strong capital base during the three months ended August 31, 2019.

Business Results

- Our net revenues for the three months ended August 31, 2019 were relatively flat as compared to the three months ended August 31, 2018. The results reflect solid equities and fixed income net revenues, as well as increased asset management revenues due to higher investment returns, partially offset by lower investment banking revenues.
- Our equities net revenues increased 13.3% compared to the prior year quarter, primarily due to higher results across many of our core equities sales and trading businesses.
- Our fixed income net revenues improved by 6.1% compared to the prior year quarter, primarily due to strong trading volumes during June and July, which were partially offset by muted trading volumes in August as investors were sidelined across most asset classes by increased volatility in risk assets and a further inversion of the U.S. Treasury yield curve.
- Our investment banking results during the three months ended August 31, 2019 reflect lower new issue revenues, as industry-wide U.S. and Europe equity and leverage finance capital market deal fees declined during the third quarter of 2019 compared with the prior year

quarter. Our advisory revenues improved by 13.7%, or $25.8 million, to $213.4 million, while our capital markets revenues for the quarter were $199.2 million, down $78.5 million, or 28.3%.

- Investment banking revenues also include a net loss of $8.2 million in the current quarter from our share of the net results of the Jefferies Finance LLC ("Jefferies Finance") joint venture, reflecting $12.5 million in costs from refinancing its debt. This compares with net revenues of $19.0 million in the prior year quarter.

- Asset management revenues of $19.8 million for the three months ended August 31, 2019, compares with $10.7 million in the prior year quarter, primarily due to stronger investment returns.

- Net revenues in our other business category in the three months ended August 31, 2019 were $12.4 million, compared with $4.9 million in the prior year quarter. Results in the current year quarter include net revenues of $24.3 million due to our share of income from Berkadia Commercial Mortgage Holding LLC ("Berkadia"), which was transferred to us on October 1, 2018 from Jefferies Financial Group Inc. ("Jefferies").

Expenses

- Non-interest expenses for the three months ended August 31, 2019 increased $3.6 million to $694.1 million, compared with $690.5 million for the three months ended August 31, 2018.

- Compensation and benefits expense for the three months ended August 31, 2019 was $411.9 million, a decrease of $16.1 million, or 3.8%, from the comparable prior year quarter. Compensation and benefits expense as a percentage of Net revenues was 53.0% for the three months ended August 31, 2019, compared with 55.0% in the prior year quarter.

- Non-compensation expenses for the three months ended August 31, 2019 increased $19.6 million, or 7.5%, to $282.1 million, compared with $262.5 million for the three months ended August 31, 2018.

Nine Months Ended August 31, 2019

Consolidated Results

- Net revenues for the nine months ended August 31, 2019 were $2,364.7 million, compared with $2,421.4 million for the nine months ended August 31, 2018, a decrease of $56.7 million, or 2.3%.

- Our results in the nine months ended August 31, 2019 reflect strong performance in equities, fixed income and asset management, but below-normal results in investment banking due to the severe market downturn in December, which heavily muted issuance activity. This was exacerbated by the five-week shutdown of the U.S. Government in late December and January, which further dampened new issue transactions in the capital markets and had a lag effect on our advisory revenues.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Business Results

- Net revenues for the nine months ended August 31, 2019, as compared to the nine months ended August 31, 2018, reflects solid performance in equities and fixed income as these businesses successfully navigated increased volatility, and benefited from increased investment returns in asset management. The results were offset by below-normal investment banking revenues.

- Our equities net revenues improved 14.4% compared to the prior year period, primarily due to increases across most of our core equities businesses and lower losses in block positions.

- Our fixed income net revenues increased 9.6% compared to the prior year period, primarily due to more active markets throughout most of the current period. The increase was partially offset by increased volatility in U.S. Rates markets and increased volatility in risk assets.

- Our investment banking results during the nine months ended August 31, 2019 reflect lower capital markets and advisory revenues. During the current nine month period, industry-wide U.S. equity and leverage finance capital market activity declined significantly when compared with the prior year period, due to the severe market downturn in December, which heavily muted issuance activity. This was exacerbated by the five-week shutdown of the U.S. Government in late December and January, which further dampened new issue transactions in the capital markets. Our capital markets revenues for the period were $563.8 million, down $246.1 million, or 30.4%, from the same period last year, while our advisory revenues declined 3.9%, or $23.3 million, to $572.4 million.

- Investment banking revenues also include net revenues of $15.7 million in the current year period from our share of the net results of the

Jefferies Finance joint venture, reflecting $12.5 million in costs from refinancing its debt. This compares with net revenues of $70.3 million in the prior year period, as overall loan origination activity declined in the current year period due to the volatility experienced in the leveraged finance markets during the first and third quarters of this year.

- Net revenues in the nine months ended August 31, 2019 also include asset management revenues of $89.8 million, compared with $32.5 million in the prior year period, primarily due to higher investment returns.

- Net revenues in our other business category in the nine months ended August 31, 2019 were $53.6 million, compared with $22.9 million in the prior year period. Results in the current year period include net revenues of $72.2 million due to our share of income from Berkadia, compared with foreign currency gains, which were recognized in the prior year period.

Expenses

- Non-interest expenses for the nine months ended August 31, 2019 decreased $25.8 million, or 1.2%, to $2,063.9 million, compared with $2,089.7 million for the nine months ended August 31, 2018.

- Compensation and benefits expense for the nine months ended August 31, 2019 was $1,261.5 million, a decrease of $66.3 million, or 5.0%, from the comparable prior year period. Compensation and benefits expense as a percentage of Net revenues was 53.3% for the nine months ended August 31, 2019, compared with 54.8% in the prior year period.

- Non-compensation expenses for the nine months ended August 31, 2019 increased $40.4 million, or 5.3%, to $802.4 million, compared with $762.0 million for the nine months ended August 31, 2018.

Headcount

- At August 31, 2019, we had 3,776 employees globally, an increase of 250 employees from our headcount of 3,526 at August 31, 2018. Our headcount increased, primarily as a result of continued hiring in investment banking, asset management and equities, as well as additions in corporate services.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Revenues by Source

For presentation purposes, the remainder of "Results of Operations" is presented on a detailed product and expense basis, rather than on a business segment basis. Net revenues presented for our Capital Markets businesses include allocations of interest income and interest expense as we assess the profitability of these businesses inclusive of the net interest revenue or expense associated with the respective activities, which is a function of the mix of each business's associated assets and liabilities and the related funding costs.

The composition of our net revenues has varied over time as financial markets and the scope of our operations have changed. The composition of net revenues can also vary from period to period due to fluctuations in economic and market conditions, and our own performance. The following provides a summary of "Net Revenues by Source" (dollars in thousands):

	Three Months Ended August 31,					Nine Months Ended August 31,				
	2019		2018			2019		2018		
	Amount	% of Net Revenues	Amount	% of Net Revenues	% Change	Amount	% of Net Revenues	Amount	% of Net Revenues	% Change
Equities	$ 193,229	24.9 %	$ 170,611	21.9 %	13.3 %	$ 573,851	24.3 %	$ 501,471	20.7 %	14.4 %
Fixed income	148,334	19.1	139,846	18.0	6.1 %	518,346	21.9	472,886	19.5	9.6 %
Total sales and trading	341,563	44.0	310,457	39.9	10.0 %	1,092,197	46.2	974,357	40.2	12.1 %
Equity	97,494	12.5	139,220	17.9	(30.0)%	256,853	10.8	326,613	13.5	(21.4)%
Debt	101,689	13.1	138,515	17.8	(26.6)%	306,977	13.0	483,271	20.0	(36.5)%
Capital markets	199,183	25.6	277,735	35.7	(28.3)%	563,830	23.8	809,884	33.5	(30.4)%
Advisory	213,350	27.5	187,591	24.1	13.7 %	572,386	24.2	595,730	24.6	(3.9)%
Other investment banking	(9,108)	(1.2)	(13,732)	(1.8)	(33.7)%	(7,116)	(0.3)	(13,885)	(0.6)	(48.8)%

Total investment banking	403,425	51.9	451,594	58.0	(10.7)%	1,129,100	47.7	1,391,729	57.5	(18.9)%
Other	12,374	1.6	4,910	0.6	152.0 %	53,587	2.3	22,868	0.9	134.3 %
Total Capital Markets (1) (2)	757,362	97.5	766,961	98.5	(1.3)%	2,274,884	96.2	2,388,954	98.6	(4.8)%
Asset management fees	3,340	0.4	5,184	0.7	(35.6)%	14,559	0.6	16,130	0.7	(9.7)%
Investment return (3) (4)	25,746	3.3	14,483	1.9	77.8 %	106,233	4.5	40,754	1.7	160.7 %
Allocated net interest (3) (5)	(9,289)	(1.2)	(9,013)	(1.1)	3.1 %	(30,948)	(1.3)	(24,420)	(1.0)	26.7 %
Total Asset Management	19,797	2.5	10,654	1.5	85.8 %	89,844	3.8	32,464	1.4	176.7 %
Net revenues	$ 777,159	100.0 %	$ 777,615	100.0 %	(0.1)%	$2,364,728	100.0 %	$2,421,418	100.0 %	(2.3)%

(1) Includes net interest revenues (expenses) of $30.4 million and $51.4 million for the three and nine months ended August 31, 2019, respectively, and $6.9 million and ($11.2) million for the three and nine months ended August 31, 2018, respectively.

(2) Allocated net interest is not separately disaggregated in presenting our Capital Markets reportable segment within our Net Revenues by Source. This presentation is aligned to our Capital Markets internal performance measurement.

(3) Beginning with the first quarter of 2019, Net revenues attributed to the Investment return in our Asset Management reportable segment have been disaggregated to separately present Investment return and Allocated net interest (see footnote 4 below). This disaggregation is intended to increase transparency and to make clearer actual Investment return. We offer third-party investors the opportunity to co-invest in our asset management funds and separately managed accounts alongside us. We believe that aggregating Investment return and Allocated net interest would obscure the Investment return by including an amount that is unique to our credit spreads, debt maturity profile, capital structure, liquidity risks and allocation methods, none of which are pertinent to the Investment returns generated by the performance of the portfolio.

(4) Includes net interest expenses of $2.0 million and $3.7 million for the three and nine months ended August 31, 2019, respectively, and $3.3 million and $4.2 million for the three and nine months ended August 31, 2018, respectively.

(5) Allocated net interest represents the allocation of our long-term debt interest expense to our Asset Management reportable segment, net of interest income on our Cash and cash equivalents and other sources of liquidity. For discussion of our sources of liquidity, refer to the "Liquidity, Financial Condition and Capital Resources" section herein.

Equities Net Revenues

Equities is comprised of net revenues from:

- services provided to our clients from which we earn commissions or spread revenue by executing, settling and clearing transactions for clients;
- advisory services offered to clients;

- financing, securities lending and other prime brokerage services offered to clients; and
- wealth management services, which includes providing clients access to all of our institutional execution capabilities.

Three Months Ended August 31, 2019

- Total equities net revenues were $193.2 million for the three months ended August 31, 2019, compared with $170.6 million for the three months ended August 31, 2018, an increase of 13.3%.
- Equities net revenues for the three months ended August 31, 2019 increased compared with the prior year quarter across most of our core equities sales and trading businesses. The increase in our core global equities sales and trading business was primarily driven by higher revenues across all of our global cash equities businesses in the Americas, Europe, and Asia, as well as in our global electronic trading, equity derivatives, international convertibles, securities finance and prime brokerage businesses. The continued revenue growth was driven by increased market share and client activity, as well as a continued focus on regional and product diversification. Our prime brokerage and Americas securities finance businesses posted record quarterly revenues, driven by increased client activity and outsourced trading. Several of our international businesses, including European electronic trading, Asian electronic trading, and Asian securities finance, also had record quarters reflecting our continued strength and growth across global markets.
- The increase in our core global equities net revenues compared with the prior year quarter was partially offset by higher losses in certain

block positions in the three months ended August 31, 2019 as compared with the prior year quarter, and challenging market conditions in our Americas convertibles businesses.

Nine Months Ended August 31, 2019

- Total equities net revenues were $573.9 million for the nine months ended August 31, 2019, an increase of $72.4 million from net revenues of $501.5 million for the nine months ended August 31, 2018.

- Equities net revenues for the nine months ended August 31, 2019 increased compared with the prior year period on strong performance across several of our sales and trading businesses, which continue to be well-positioned with continued market share growth and competitive strength across global market rankings. The increase in our core global equities sales and trading business was primarily driven by higher revenues across global cash equities, primarily across the Americas and Europe, global electronic trading, international convertibles, securities finance and prime brokerage. Results in our Americas and European cash equities businesses were driven by improved trading results. Our global electronic trading business was driven by continued growth in market share and increased trading volumes. Our global convertibles business benefited from significant growth due to the expansion of the business with a market-leading team. Results in our prime services business, which reflects prime brokerage and securities finance, was driven by increased customer trading activity and outsourced trading.

- The increase in our core global equities sales and trading business was partially offset by a decrease in our equity derivatives business, driven by a challenging trading environment and a decline in client activity, and lower results in our U.S. convertibles businesses.

Fixed Income Net Revenues

Fixed income is comprised of net revenues from:

- executing transactions for clients and making markets in securitized products, investment grade, high-yield, emerging markets, municipal and sovereign securities and bank loans;

- foreign exchange execution on behalf of clients; and

- interest rate derivatives and credit derivatives (used primarily for hedging activities).

Three Months Ended August 31, 2019

- Fixed income net revenues totaled $148.3 million for the three months ended August 31, 2019, an increase of $8.5 million from net revenues of $139.8 million for the three months ended August 31, 2018, primarily due to strong trading volumes during June and July, which were partially offset by muted trading volumes in August as investors were sidelined across most asset classes by increased volatility in risk assets and a further inversion of the U.S. Treasury yield curve. The following highlights the main components of the results:

    - Results in our global investment grade corporates businesses significantly improved with higher levels of trading activity helped by increased supply as compared with very difficult trading conditions in the prior year quarter.

    - Revenues in our leveraged credit were higher due to increased trading activity in the beginning of the current quarter, partially offset by risk asset and government bond volatility in the latter part of the quarter.

    - Revenues in our emerging markets business were strong as compared with the prior year quarter due to improved market reach globally.

    - The current quarter also included higher revenues resulting from increased issuance and trading revenue volumes in our structured notes business.

    - Global rates revenues in the current quarter underperformed due to perpetuating negative interest rates and continued muted volatility in international rates markets compared to constructive trading conditions in the prior year quarter.

    - Revenues in our U.S. and international securitized markets groups were lower due to declining yields and a flattening and inverted U.S. Treasury yield curve compared with stronger performance in our origination businesses in the prior year quarter.

Nine Months Ended August 31, 2019

- Fixed income net revenues totaled $518.3 million for the nine months ended August 31, 2019, an increase of $45.4 million from net revenues of $472.9 million in the nine months ended August 31, 2018, primarily due to more active markets throughout most of the current year period. The increase was partially offset by increased volatility in U.S. Rates markets and increased volatility in risk assets. The following highlights the main components of the results:
    - Revenues improved in our global investment grade corporates business due to increased trading activity and increased investor demand and compares to muted client activity and demand in the prior year period.
    - Revenues in our leveraged credit business were higher due to improved results from secondary trading of par loans and bonds, as well as benefiting from various trading hires. Similarly, our Asia credit business was also well positioned to benefit from new hires and extended client reach and activity throughout most of the current year period.
    - The current year period also included higher revenues from our structured notes trading and issuance business that benefited from a more established trading desk, as compared with the prior year period.
    - Global rates revenues in the current year period declined as concerns over Brexit continued and economic challenges in other European countries limited trading opportunities, compared with higher levels of trading around volatility in global interest rates, primarily in Europe, in the prior year period.
    - Revenues in our U.S. and international securitized markets groups were lower due to lower U.S. Treasury yields coupled with a flat yield curve, partially offset by improved performance in certain securitization businesses as they expanded client reach and market presence.
    - Less constructive market conditions throughout the current year period contributed to declines in revenues for our municipal securities businesses.

Investment Banking Revenues

Investment banking is comprised of revenues from:

- capital markets services, which include underwriting and placement services related to corporate debt, municipal bonds, mortgage-and asset-backed securities and equity and equity-linked securities and loan syndication;
- advisory services with respect to mergers and acquisitions and restructurings and recapitalizations;
- our share of net earnings from our corporate lending joint venture Jefferies Finance; and
- securities and loans received or acquired in connection with our investment banking activities.

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The following table sets forth our investment banking revenues (dollars in thousands):

	Three Months Ended August 31,			Nine Months Ended August 31,		
	2019	2018	% Change	2019	2018	% Change
Equity	$ 97,494	$ 139,220	(30.0)%	$ 256,853	$ 326,613	(21.4)%
Debt	101,689	138,515	(26.6)%	306,977	483,271	(36.5)%
Capital markets	199,183	277,735	(28.3)%	563,830	809,884	(30.4)%
Advisory	213,350	187,591	13.7 %	572,386	595,730	(3.9)%
Other investment banking	(9,108)	(13,732)	(33.7)%	(7,116)	(13,885)	(48.8)%
Total investment banking	$ 403,425	$ 451,594	(10.7)%	$ 1,129,100	$ 1,391,729	(18.9)%

The following table sets forth our investment banking activities (dollars in billions):

	Deals Completed	Aggregate Value

	Three Months Ended August 31,		Nine Months Ended August 31,		Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018	2019	2018	2019	2018
Public and private debt financings	292	286	565	749	$ 43.7	$ 61.1	$ 124.7	$ 197.7
Public and private equity and convertible offerings (1)	45	57	115	142	14.2	11.5	34.6	31.8
Advisory transactions (2)	51	49	147	139	110.2	63.0	211.3	156.8

(1) We acted as sole or joint bookrunner on 44 and 112 offerings during the three and nine months ended August 31, 2019, respectively, and 56 and 138 offerings during the three and nine months ended August 31, 2018, respectively.

(2) The number of advisory deals completed includes three and twelve restructuring and recapitalization transactions during the three and nine months ended August 31, 2019, respectively, and two and eleven restructuring and recapitalization transactions during the three and nine months ended August 31, 2018, respectively.

Three Months Ended August 31, 2019

- Total investment banking revenues were $403.4 million for the three months ended August 31, 2019, 10.7% lower than for the three months ended August 31, 2018, due to lower leverage finance and equity capital markets revenues, partially offset by higher merger and acquisition revenues. Capital markets revenues were impacted by an industry-wide decline in equity and leverage finance fees across the U.S. and Europe of over 20% during the current quarter.

- Our capital markets revenues for the quarter were $199.2 million, down $78.5 million, from the same quarter last year. Our advisory revenues were $213.4 million, up $25.8 million, from our results in the prior year quarter.

- From equity and debt capital raising activities, we generated $97.5 million and $101.7 million in revenues, respectively, for the three months ended August 31, 2019, compared with $139.2 million and $138.5 million in revenues, respectively, in the prior year quarter.

- Other investment banking revenues were a loss of $9.1 million for the three months ended August 31, 2019, compared with a loss of $13.7 million for the three months ended August 31, 2018. Other investment banking revenues during the three months ended August 31, 2019 include a net loss of $8.2 million from our share of the net results of the Jefferies Finance joint venture, reflecting $12.5 million in costs from refinancing its debt and volatility experienced in the leveraged finance markets during the current year quarter resulting in lower transaction volume. This compares with net revenues of $19.0 million in the prior year quarter. The results in both quarters also included the amortization of costs and allocated interest expense related to our investment in the Jefferies Finance business.

Nine Months Ended August 31, 2019

- Total investment banking revenues were $1,129.1 million for the nine months ended August 31, 2019, 18.9% lower than for the nine months ended August 31, 2018, due to a significant industry-wide decline in equity and leverage finance activity across the U.S. and Europe during the current period as compared to the prior year period.

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- During the period, industry-wide U.S. equity and leverage finance capital market activity declined significantly. Our capital markets revenues for the period were $563.8 million, down $246.1 million, or 30.4%, from the same period last year. Our advisory revenues were $572.4 million, down $23.3 million, or 3.9% lower than our results in the prior year period.

- From equity and debt capital raising activities, we generated $256.9 million and $307.0 million in revenues, respectively, for the nine months ended August 31, 2019, compared with $326.6 million and $483.3 million in revenues, respectively, in the prior year period.

- Other investment banking revenues were a loss of $7.1 million for the nine months ended August 31, 2019, compared with a loss of $13.9 million for the nine months ended August 31, 2018. Other investment banking revenues during the nine months ended August 31, 2019 include revenues of $15.7 million from our share of the net results of the Jefferies Finance joint venture, reflecting $12.5 million in costs from refinancing its debt and volatility experienced in the leveraged finance markets during the first and third quarters of this year, which resulted in lower transaction volume. This compares with net revenues of $70.3 million in the prior year period. The results in both periods were offset by the amortization of costs and allocated interest expense related to our investment in the Jefferies Finance business.

Other

Other is comprised of revenues from:

- Berkadia and other strategic investments (other than Jefferies Finance);
- principal investments in private equity and hedge funds managed by third parties or related parties; and
- investments held as part of employee benefit plans, including deferred compensation plans (for which we incur equal and offsetting compensation expenses).

Three Months Ended August 31, 2019

- Net revenues from our other business category totaled $12.4 million for the three months ended August 31, 2019, an increase of $7.5 million compared with net revenues of $4.9 million for the three months ended August 31, 2018.
- Results in the current year quarter include net revenues of $24.3 million due to our share of income from Berkadia, which was transferred to us on October 1, 2018 from Jefferies, partially offset by costs and mark-to-market decreases in other strategic investments.

Nine Months Ended August 31, 2019

- Net revenues from our other business category totaled $53.6 million for the nine months ended August 31, 2019, an increase of $30.7 million compared with net revenues of $22.9 million for the nine months ended August 31, 2018.
- Results in the current year period include net revenues of $72.2 million due to our share of income from Berkadia, which was transferred to us on October 1, 2018 from Jefferies, partially offset by costs and mark-to-market decreases in other strategic investments, compared with foreign currency gains in the prior year period.

Asset Management

Asset management revenue includes the following:

- management and performance fees from funds and accounts managed by us; and
- investment income from our investments in and managed by our asset management business and other asset managers.

In the fourth quarter of 2018, Jefferies transferred to us investments in certain separately managed accounts and funds. Due to this transfer, we made changes to the presentation of our "Net Revenues by Source" in the fourth quarter of 2018 and are including investment income from our investments in these separately managed accounts and funds within asset management revenues. Previously reported results are presented on a comparable basis. See Note 1, Organization and Basis of Presentation, in our consolidated financial statements included in this Quarterly Report on Form 10-Q, for further details on this transfer.

The key components of asset management revenues are the level of assets under management and the performance return, whether on an absolute basis or relative to a benchmark or hurdle. These components can be affected by financial markets, profits and losses in the applicable investment portfolios and client capital activity. Further, asset management fees vary with the nature of investment management services. The terms under which clients may terminate our investment management authority, and the requisite notice period for such termination, varies depending on the nature of the investment vehicle and the liquidity of the portfolio assets.

JEFFERIES GROUP LLC AND SUBSIDIARIES

The following summarizes the results of our Asset Management businesses by asset class (dollars in thousands):

	Three Months Ended August 31,			Nine Months Ended August 31,		
	2019	2018	% Change	2019	2018	% Change
Asset management fees:						
Equities	$ 633	$ 310	104.2 %	$ 3,344	$ 1,633	104.8 %
Multi-asset	2,707	4,874	(44.5)%	11,215	14,497	(22.6)%
Total asset management fees	3,340	5,184	(35.6)%	14,559	16,130	(9.7)%
Investment return	25,746	14,483	77.8 %	106,233	40,754	160.7 %
Allocated net interest	(9,289)	(9,013)	3.1 %	(30,948)	(24,420)	26.7 %
Total Asset Management	$ 19,797	$ 10,654	85.8 %	$ 89,844	$ 32,464	176.7 %

Three Months Ended August 31, 2019

- Asset management net revenues in the three months ended August 31, 2019 were $19.8 million, compared with $10.7 million in the prior year quarter. The increase was primarily due to higher investment returns, as a result of an increase in our investments in certain separately managed accounts and funds and improved performance in certain of these investments, partially offset by lower asset management fees.

Nine Months Ended August 31, 2019

- Net revenues in the nine months ended August 31, 2019 included asset management revenues of $89.8 million, compared with $32.5 million in the prior year period. The increase was primarily due to higher investment returns, as a result of an increase in our investment in certain separately managed accounts and funds and improved performance in certain of these investments, partially offset by an increase in allocated net interest expense.

Assets under Management

Assets under management by predominant asset class were as follows (in millions):

	August 31, 2019	November 30, 2018
Assets under management (1):		
Equities	$ 111	$ 130
Multi-asset	711	1,180
Total	$ 822	$ 1,310

(1) Assets under management include assets actively managed by us, including hedge funds and certain managed accounts. Assets under management do not include the assets of funds that are consolidated due to the level or nature of our investment in such funds.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Asset Management Investments

We invest in our asset management business through direct investments in hedge funds and through separately managed accounts where we or our Parent acts as the asset manager. Additionally, we make minority investments in and enter into revenue sharing arrangements with third-party asset managers. The following table represents our investments by asset manager (in thousands):

	August 31, 2019	November 30, 2018
Jefferies Group LLC; as manager:		
Fund investments (1)	$ 21,210	$ 45,696
Separately managed accounts (2)	298,255	213,023
Total	$ 319,465	$ 258,719
Jefferies Financial Group Inc.; as manager:		
Fund investments	$ 216,702	$ 213,456
Separately managed accounts (2)	66,730	277,538
Total	$ 283,432	$ 490,994
Third-party as asset manager:		
Fund investments	$ 290,174	$ 10,093
Separately managed accounts (2)	292,428	261,790
Investments in asset managers	30,546	32,360
Total	$ 613,148	$ 304,243
Total asset management investments (3)	$ 1,216,045	$ 1,053,956

(1) Due to the level or nature of an investment in a fund, we may consolidate that fund; and accordingly, the assets and liabilities of the fund are included in the representative line items in our consolidated financial statements. At August 31, 2019 and November 30, 2018, $21.1

million and $19.9 million, respectively, represents net investments in funds that have been consolidated in our financial statements.

(2) Where we have investments in a separately managed account, the assets and liabilities of such account are presented on our balance sheet within each respective line item.

(3) Of the $1,216.0 million total invested in the funds at August 31, 2019, $1,081.0 million was sourced from the proceeds of long-term and permanent capital, which attracted an internally calculated interest charge of $30.9 million. At August 31, 2019, we have borrowed $135.0 million under a credit facility agreement ("Credit Facility") with JPMorgan Chase Bank, N.A., which is secured by our investment in a fund managed by Jefferies Financial Group Inc., with a carrying value of $216.7 million. Interest expense associated with the Credit Facility is included in Investment return (see "Net Revenues by Source" herein).

Our asset management investments generated an investment return of $25.7 million and $106.2 million for the three and nine months ended August 31, 2019, respectively, and $14.5 million and $40.8 million for the three and nine months ended August 31, 2018, respectively.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Non-interest Expenses

Non-interest expenses were as follows (dollars in thousands):

	Three Months Ended August 31,			Nine Months Ended August 31,		
	2019	2018	% Change	2019	2018	% Change
Compensation and benefits	$ 411,936	$ 428,033	(3.8)%	$ 1,261,506	$ 1,327,760	(5.0)%
Non-compensation expenses:						
Floor brokerage and clearing fees	54,247	45,745	18.6 %	168,698	135,808	24.2 %
Technology and communications	86,649	76,877	12.7 %	247,464	222,335	11.3 %
Occupancy and equipment rental	29,300	25,559	14.6 %	87,587	75,143	16.6 %
Business development	36,526	39,733	(8.1)%	103,430	124,233	(16.7)%
Professional services	42,379	35,316	20.0 %	117,372	101,715	15.4 %
Underwriting costs	14,647	20,528	(28.6)%	36,045	47,832	(24.6)%
Other	18,400	18,723	(1.7)%	41,828	54,888	(23.8)%
Total non-compensation expenses	282,148	262,481	7.5 %	802,424	761,954	5.3 %
Total non-interest expenses	$ 694,084	$ 690,514	0.5 %	$ 2,063,930	$ 2,089,714	(1.2)%

Compensation and Benefits

- Compensation and benefits expense consists of salaries, benefits, commissions, annual cash compensation awards and the amortization of share-based and cash compensation awards to employees.

- Cash and share-based awards and a portion of cash awards granted to employees as part of year end compensation generally contain provisions such that employees who terminate their employment or are terminated without cause may continue to vest in their awards, so long as those awards are not forfeited as a result of other forfeiture provisions (primarily non-compete clauses) of those awards. Accordingly, the compensation expense for a portion of awards granted at year end as part of annual compensation is recorded in the year of the award. Compensation and benefits expense includes amortization expense associated with these awards to the extent there are respective future service periods. In addition, the senior executive awards contain market and performance conditions.

- Compensation and benefits expense was $411.9 million and $1,261.5 million for the three and nine months ended August 31, 2019, respectively, compared with $428.0 million and $1,327.8 million for the three and nine months ended August 31, 2018, respectively.

- Compensation and benefits expense as a percentage of Net revenues was 53.0% and 53.3% for the three and nine months ended August 31, 2019, respectively, compared with 55.0% and 54.8% for the three and nine months ended August 31, 2018, respectively.

- Compensation expense related to the amortization of share- and cash-based awards amounted to $78.9 million and $224.7 million for the three and nine months ended August 31, 2019, respectively, compared with $67.1 million and $204.7 million for the three and nine months ended August 31, 2018, respectively.

- Employee headcount was 3,776 at August 31, 2019 and 3,526 at August 31, 2018. Since August 31, 2018, our headcount increased, primarily as a result of continued hiring in investment banking, asset management and equities, as well as additions in corporate services.

- Refer to Note 14, Compensation Plans, in our consolidated financial statements included in this Quarterly Report on Form 10-Q, for further details on compensation and benefits.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Non-Compensation Expenses

Three Months Ended August 31, 2019

- Non-compensation expenses were $282.1 million for the three months ended August 31, 2019, an increase of $19.6 million, or 7.5%, compared with $262.5 million in the three months ended August 31, 2018. The increase in non-compensation expenses was primarily due to higher Floor brokerage and clearings fees due to an increase in trading volumes across the equities and fixed income businesses, as well as growth in certain asset management funds and resultant trading activity. The increase also included higher Technology and communication expenses primarily related to the costs associated with the development of various trading systems and increased market data usage and an increase in Professional services expenses due to an increase in legal and consulting fees. The increases were partially offset by lower Business development expenses and Underwriting costs due to a decline in investment banking engagements and activity related to our Jefferies Finance joint venture during the current period.

- Non-compensation expenses as a percentage of Net revenues was 36.3% and 33.8% for the three months ended August 31, 2019 and 2018, respectively.

Nine Months Ended August 31, 2019

- Non-compensation expenses were $802.4 million for the nine months ended August 31, 2019, an increase of $40.4 million, or 5.3%, compared with $762.0 million in the nine months ended August 31, 2018. The increase in non-compensation expenses was primarily due to higher Floor brokerage and clearings fees due to the growth in certain asset management funds and resultant trading activity, as well as an increase in trading volumes across the equities and fixed income businesses. The higher expenses also included an increase in Technology and communication expenses related to costs associated with the development of various trading systems and our efforts to provide our professionals with leading digital tools to manage workflow and help us better serve our clients, as well as increased market data usage costs. Professional services expenses increased due to an increase in legal and consulting fees. The increases were partially offset by lower Business development expenses and Underwriting costs due to a decline in investment banking engagements and activity related to our Jefferies Finance joint venture during the current period.

- Non-compensation expenses as a percentage of Net revenues was 33.9% and 31.5% for the nine months ended August 31, 2019 and 2018, respectively.

Income Taxes

The following provides a discussion of our provision for income taxes:

- For the three and nine months ended August 31, 2019, the provision for income taxes was $18.3 million and $79.8 million, respectively, equating to an effective tax rate of 22.0% and 26.5%, respectively. For the three and nine months ended August 31, 2018, the provision for income taxes was $26.9 million and $234.3 million, respectively, equating to an effective tax rate of 30.9% and 70.6%, respectively.

- The decrease in the effective tax rate for the three months ended August 31, 2019, as compared to the prior year quarter, is primarily due to a net tax benefit recorded during the current quarter resulting from the settlement of various state and local exams and expiring statutes of limitation.

- The decrease in the effective tax rate during the nine months ended August 31, 2019, as compared with the prior year period is primarily due to the $160.2 million provisional tax charge related to the enactment of the Tax Act recorded in the nine months ended August 31, 2018.

During the quarter ended February 28, 2019, we increased the provisional tax charge that had been recorded during the year ended November 30, 2018 by $0.2 million resulting in a total tax charge of $165.3 million, as a result of the Tax Act, which was enacted on December 22, 2017. Of this amount, $112.7 million related to the write down of our deferred tax asset, reflecting the impact of a lower federal tax rate of 21% on our deferred tax items. The remaining part of the charge related to the transition tax on the deemed repatriation of unremitted foreign earnings.

The measurement period as permitted by Staff Accounting Bulletin No. 118, which was issued by SEC staff on December 22, 2017, was closed during the quarter ended February 28, 2019 and we have completed our accounting as it relates to the Tax Act.

Accounting Developments

For a discussion of recently issued accounting developments and their impact on our consolidated financial statements, see Note 3, Accounting Developments, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Critical Accounting Policies

Our consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and related notes. Actual results can and may differ from estimates. These differences could be material to our consolidated financial statements.

We believe our application of U.S. GAAP and the associated estimates are reasonable. Our accounting estimates are reevaluated, and adjustments are made when facts and circumstances dictate a change. Historically, we have found our application of accounting policies to be appropriate, and actual results have not differed materially from those determined using necessary estimates.

We believe our critical accounting policies (policies that are both material to the financial condition and results of operations and require our most subjective or complex judgments) are our valuation of certain financial instruments and assessment of goodwill.

For further discussions of the following significant accounting policies and other significant accounting policies, see Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 and Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Valuation of Financial Instruments

Financial instruments owned and Financial instruments sold, not yet purchased are recorded at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price). Unrealized gains or losses are generally recognized in Principal transactions revenues in our Consolidated Statements of Earnings.

For information on the composition of our Financial instruments owned and Financial instruments sold, not yet purchased recorded at fair value, see Note 4, Fair Value Disclosures, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Fair Value Hierarchy – In determining fair value, we maximize the use of observable inputs and minimize the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect our assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. We apply a hierarchy to categorize our fair value measurements broken down into three levels based on the transparency of inputs, where Level 1 uses observable prices in active markets and Level 3 uses valuation techniques that incorporate significant unobservable inputs. Greater use of management judgment is required in determining fair value when inputs are less observable or unobservable in the marketplace, such as when the volume or level of trading activity for a financial instrument has decreased and when certain factors suggest that observed transactions may not be reflective of orderly market transactions. Judgment must be applied in determining the appropriateness of available prices, particularly in assessing whether available data reflects current prices and/or reflects the results of recent market transactions. Prices or quotes are weighed when estimating fair value with greater reliability placed on information from transactions that are considered to be representative of orderly market transactions.

Fair value is a market based measure; therefore, when market observable inputs are not available, our judgment is applied to reflect those judgments that a market participant would use in valuing the same asset or liability. The availability of observable inputs can vary for different products. We use prices and inputs that are current as of the measurement date even in periods of market disruption or illiquidity. The valuation of financial instruments categorized within Level 3 of the fair value hierarchy involves the greatest extent of management judgment. (See Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 and Note 4, Fair Value Disclosures, in our consolidated financial statements included in this Quarterly Report on Form 10-Q for further information on the definitions of fair value, Level 1, Level 2 and Level 3 and related valuation techniques.)

Level 3 Assets and Liabilities – For information on the composition and activity of our Level 3 assets and Level 3 liabilities, see Note 4, Fair Value Disclosures, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Controls Over the Valuation Process for Financial Instruments – Our Independent Price Verification Group, independent of the trading function, plays an important role in determining that our financial instruments are appropriately valued and that fair value measurements are reliable. This is particularly important where prices or valuations that require inputs are less observable. In the event that observable inputs are not available, the control processes are designed to assure that the valuation approach utilized is appropriate and consistently applied and that the assumptions are reasonable. Where a pricing model is used to determine fair value, these control processes include reviews of the pricing model's theoretical soundness and appropriateness by risk management personnel with relevant expertise who are independent from the trading desks. In addition, recently executed comparable transactions and other observable market data are considered for purposes of validating assumptions underlying the model.

Goodwill

At August 31, 2019, Goodwill recorded in our Consolidated Statement of Financial Condition is $1,638.6 million (3.8% of total assets). The nature and accounting for goodwill is discussed in Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 and Note 10, Goodwill and Intangible Assets, in our consolidated financial statements included in this Quarterly Report on Form 10-Q. Goodwill must be allocated to reporting units and tested for impairment at least annually, or when circumstances or events make it more likely than not that an impairment occurred. Goodwill is tested by comparing the estimated fair value of each reporting unit with its carrying value. Our annual goodwill impairment testing date is August 1, which did not indicate any goodwill impairment in any of our reporting units at August 1, 2019.

We use allocated tangible equity plus allocated goodwill and intangible assets for the carrying amount of each reporting unit. The amount of tangible equity allocated to a reporting unit is based on our cash capital model deployed in managing our businesses, which seeks to approximate the capital a business would require if it were operating independently. For further information on our Cash Capital Policy, refer to the Liquidity, Financial Condition and Capital Resources section herein. Intangible assets are allocated to a reporting unit based on either specifically identifying a particular intangible asset as pertaining to a reporting unit or, if shared among reporting units, based on an assessment of the reporting unit's benefit from the intangible asset in order to generate results.

Estimating the fair value of a reporting unit requires management judgment and often involves the use of estimates and assumptions that could have a significant effect on whether or not an impairment charge is recorded and the magnitude of such a charge. Estimated fair values for our reporting units utilize market valuation methods that incorporate price-to-earnings and price-to-book multiples of comparable public companies. Under the market approach, the key assumptions are the selected multiples and our internally developed forecasts of future profitability, growth and return on equity for each reporting unit. The weight assigned to the multiples requires judgment in qualitatively and quantitatively evaluating the size, profitability and the nature of the business activities of the reporting units as compared to the comparable publicly-traded companies. In addition, as the fair values determined under the market approach represent a noncontrolling interest, we apply a control premium to arrive at the estimate fair value of each reporting unit on a controlling basis.

The carrying values of goodwill by reporting unit at August 31, 2019 are as follows: $562.3 million in Investment Banking, $159.7 million in Equities and Wealth Management, $913.2 million in Fixed Income and $3.4 million in Asset Management.

The results of our assessment on August 1, 2019 indicated that all our reporting units had a fair value in excess of their carrying amounts based on current projections and the fair values of our Investment Banking and Equities and Wealth Management reporting units exceeded their carrying values by 20% or higher. The valuation methodology for our reporting units are sensitive to management's forecasts of future profitability, which are a significant component of the valuation and come with a level of uncertainty regarding trading volumes, capital market transaction levels and the expected growth prospects for certain business lines. At August 31, 2019, our Fixed Income reporting unit is the most sensitive to the forecast assumptions used in our market approach valuation. Reductions in trading volumes and/or declines from our expected level of performance in certain product areas assumed in our forecasts and which are affected by our economic outlook could cause a decline in the estimated fair value of our Fixed Income reporting units and a resulting impairment of a portion of our goodwill.

Refer to Note 10, Goodwill and Intangible Assets, in our consolidated financial statements included in this Quarterly Report on Form 10-Q, for further details on goodwill.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Liquidity, Financial Condition and Capital Resources

Our Chief Financial Officer ("CFO") and Global Treasurer are responsible for developing and implementing our liquidity, funding and capital management strategies. These policies are determined by the nature and needs of our day to day business operations, business opportunities, regulatory obligations, and liquidity requirements.

Our actual levels of capital, total assets and financial leverage are a function of a number of factors, including asset composition, business initiatives and opportunities, regulatory requirements and cost and availability of both long term and short term funding. We have historically maintained a balance sheet consisting of a large portion of our total assets in cash and liquid marketable securities, arising principally from traditional securities brokerage and trading activity. The liquid nature of these assets provides us with flexibility in financing and managing our business.

We maintain modest leverage to support our investment grade ratings. The growth of our balance sheet is supported by our equity and we have quantitative metrics in place to monitor leverage and double leverage. Our capital plan is robust, in order to sustain our operating model through stressed conditions. We maintain adequate financial resources to support business activities in both normal and stressed market conditions, including a buffer in excess of our regulatory, or other internal or external, requirements. Our access to funding and liquidity is stable and efficient to ensure that there is sufficient liquidity to meet our financial obligations in normal and stressed market conditions.

Our Balance Sheet

A business unit level balance sheet and cash capital analysis is prepared and reviewed with senior management on a weekly basis. As a part of this balance sheet review process, capital is allocated to all assets and gross balance sheet limits are adjusted, as necessary. This process ensures that the allocation of capital and costs of capital are incorporated into business decisions. The goals of this process are to protect the firm's platform, enable our businesses to remain competitive, maintain the ability to manage capital proactively and hold businesses accountable for both balance sheet and capital usage.

We actively monitor and evaluate our financial condition and the composition of our assets and liabilities. We continually monitor our overall securities inventory, including the inventory turnover rate, which confirms the liquidity of our overall assets. Substantially all of our financial instruments are valued on a daily basis and we monitor and employ balance sheet limits for our various businesses.

The following table provides detail on key balance sheet asset and liability items (dollars in millions):

	August 31, 2019	November 30, 2018	% Change
Total assets	$ 43,093.6	$ 41,168.8	4.7 %
Cash and cash equivalents	4,665.5	5,145.9	(9.3)%
Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations	658.3	708.0	(7.0)%
Financial instruments owned	16,370.9	16,399.5	(0.2)%
Financial instruments sold, not yet purchased	10,296.3	9,478.9	8.6 %
Total Level 3 assets	388.1	336.7	15.3 %
Securities borrowed	$ 7,895.1	$ 6,538.2	20.8 %
Securities purchased under agreements to resell	4,500.0	2,785.8	61.5 %
Total securities borrowed and securities purchased under agreements to resell	$ 12,395.1	$ 9,324.0	32.9 %
Securities loaned	$ 2,182.9	$ 1,838.7	18.7 %
Securities sold under agreements to repurchase	8,237.0	8,643.1	(4.7)%
Total securities loaned and securities sold under agreements to repurchase	$ 10,419.9	$ 10,481.8	(0.6)%

Total assets at August 31, 2019 and November 30, 2018 were $43.1 billion and $41.2 billion, respectively, an increase of 4.7%. During the three and nine months ended August 31, 2019, average total assets were approximately 23.2% and 23.5% higher, respectively, than total assets at August 31, 2019.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Our total Financial instruments owned inventory was $16.4 billion at both August 31, 2019 and November 30, 2018. During the nine months ended August 31, 2019 our total Financial instruments owned inventory was flat due to a decline primarily in mortgage- and asset-backed securities and loans, offset by increases primarily in corporate equity securities, government and federal agency obligations, derivative contracts inventory, and investments at fair value. Financial instruments sold, not yet purchased inventory was $10.3 billion at August 31, 2019, an increase of 8.6% from $9.5 billion at November 30, 2018, with the increase primarily driven by increases in corporate equity securities and government and federal agency obligations, partially offset by a decrease in derivative contracts inventory. Our overall net inventory position was $6.1 billion and $6.9 billion at August 31, 2019 and November 30, 2018, respectively. Our Level 3 Financial instruments owned as a percentage of total Financial instruments owned increased to 2.2% at August 31, 2019 from 2.1% at November 30, 2018.

Securities financing assets and liabilities include financing for our financial instruments trading activity, matched book transactions and mortgage finance transactions. Matched book transactions accommodate customers, as well as obtain securities for the settlement and financing of inventory positions. The aggregate outstanding balance of our securities borrowed and securities purchased under agreements to resell increased by 32.9% from November 30, 2018 to August 31, 2019, due to increases in our matched book activity and firm financing of our inventory, partially offset by an increase in the netting benefit for our collateralized financing transactions. The outstanding balance of our securities loaned and securities sold under agreement to repurchase decreased by 0.6% from November 30, 2018 to August 31, 2019, primarily due to an increase in the netting benefit for our collateralized financing transactions and a decrease in firm financing of our inventory, partially offset by an increase in our matched book activity. Our average month end balances of total reverse repos and stock borrows during the three and nine months ended August 31, 2019 were 36.9% and 34.6% higher, respectively, than the August 31, 2019 balance. Our average month end balances of total repos and stock loans during the three and nine months ended August 31, 2019 were 62.0% and 65.5% higher, respectively, than the August 31, 2019 balance.

The following table presents our period end balance, average balance and maximum balance at any month end within the periods presented for Securities purchased under agreements to resell and Securities sold under agreements to repurchase (dollars in millions):

	Nine Months Ended August 31, 2019	Year Ended November 30, 2018
Securities Purchased Under Agreements to Resell:		
Period end	$ 4,500	$ 2,786
Month end average	7,432	5,232
Maximum month end	11,589	7,593
Securities Sold Under Agreements to Repurchase:		
Period end	$ 8,237	$ 8,643
Month end average	14,855	12,704
Maximum month end	19,654	15,579

Fluctuations in the balance of our repurchase agreements from period to period and intraperiod are dependent on business activity in those periods. Additionally, the fluctuations in the balances of our securities purchased under agreements to resell are influenced in any given period by our clients' balances and our clients' desires to execute collateralized financing arrangements via the repurchase market or via other financing products. Average balances and period end balances will fluctuate based on market and liquidity conditions and we consider the fluctuations intraperiod to be typical for the repurchase market.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Leverage Ratios

The following table presents total assets, total equity, total Jefferies Group LLC member's equity and tangible Jefferies Group LLC member's equity with the resulting leverage ratios (dollars in thousands):

	August 31, 2019	November 30, 2018
Total assets	$ 43,093,588	$ 41,168,773

Total equity	$ 6,189,530	$ 6,182,404
Total Jefferies Group LLC member's equity	$ 6,183,360	$ 6,180,493
Deduct: Goodwill and intangible assets	(1,810,976)	(1,824,638)
Tangible Jefferies Group LLC member's equity	$ 4,372,384	$ 4,355,855
Leverage ratio (1)	7.0	6.7
Tangible gross leverage ratio (2)	9.4	9.0

(1) Leverage ratio equals total assets divided by total equity.

(2) Tangible gross leverage ratio (a non-GAAP financial measure) equals total assets less goodwill and identifiable intangible assets divided by tangible Jefferies Group LLC member's equity. The tangible gross leverage ratio is used by rating agencies in assessing our leverage ratio.

Liquidity Management

The key objectives of the liquidity management framework are to support the successful execution of our business strategies while ensuring sufficient liquidity through the business cycle and during periods of financial distress. Our liquidity management policies are designed to mitigate the potential risk that we may be unable to access adequate financing to service our financial obligations without material franchise or business impact.

The principal elements of our liquidity management framework are our Contingency Funding Plan, our Cash Capital Policy and our assessment of Maximum Liquidity Outflow.

Contingency Funding Plan. Our Contingency Funding Plan is based on a model of a potential liquidity contraction over a one year time period. This incorporates potential cash outflows during a liquidity stress event, including, but not limited to, the following:

- Repayment of all unsecured debt maturing within one year and no incremental unsecured debt issuance;
- Maturity rolloff of outstanding letters of credit with no further issuance and replacement with cash collateral;
- Higher margin requirements than currently exist on assets on securities financing activity, including repurchase agreements;
- Liquidity outflows related to possible credit downgrade;
- Lower availability of secured funding;
- Client cash withdrawals;
- The anticipated funding of outstanding investment and loan commitments; and
- Certain accrued expenses and other liabilities and fixed costs.

Cash Capital Policy. We maintain a cash capital model that measures long-term funding sources against requirements. Sources of cash capital include our equity and the noncurrent portion of long-term borrowings. Uses of cash capital include the following:

- Illiquid assets such as equipment, goodwill, net intangible assets, exchange memberships, deferred tax assets and certain investments;
- A portion of securities inventory that is not expected to be financed on a secured basis in a credit stressed environment (*i.e.*, margin requirements); and
- Drawdowns of unfunded commitments.

To ensure that we do not need to liquidate inventory in the event of a funding crisis, we seek to maintain surplus cash capital, which is reflected in the leverage ratios we maintain. Our total long-term capital of $12.2 billion at August 31, 2019 exceeded our cash capital requirements.

Maximum Liquidity Outflow. Our businesses are diverse, and our liquidity needs are determined by many factors, including market movements,

collateral requirements and client commitments, all of which can change dramatically in a difficult funding environment. During a liquidity crisis, credit-sensitive funding, including unsecured debt and some types of secured financing agreements, may be unavailable, and the terms (*e.g.*, interest rates, collateral provisions and tenor) or availability of other types of secured financing may change. As a result of our policy to ensure we have sufficient funds to cover what we estimate may be needed in a liquidity crisis, we hold more cash and unencumbered securities and have greater long-term debt balances than our businesses would otherwise require. As part of this estimation process, we calculate a Maximum Liquidity Outflow that could be experienced in a liquidity crisis. Maximum Liquidity Outflow is based on a scenario that includes both a market-wide stress and firm-specific stress, characterized by some or all of the following elements:

- Global recession, default by a medium-sized sovereign, low consumer and corporate confidence, and general financial instability.
- Severely challenged market environment with material declines in equity markets and widening of credit spreads.
- Damaging follow-on impacts to financial institutions leading to the failure of a large bank.
- A firm-specific crisis potentially triggered by material losses, reputational damage, litigation, executive departure, and/or a ratings downgrade.

The following are the critical modeling parameters of the Maximum Liquidity Outflow:

- Liquidity needs over a 30-day scenario.
- A two-notch downgrade of our long-term senior unsecured credit ratings.
- No support from government funding facilities.
- A combination of contractual outflows, such as upcoming maturities of unsecured debt, and contingent outflows (*e.g.*, actions though not contractually required, we may deem necessary in a crisis). We assume that most contingent outflows will occur within the initial days and weeks of a crisis.
- No diversification benefit across liquidity risks. We assume that liquidity risks are additive.

The calculation of our Maximum Liquidity Outflow under the above stresses and modeling parameters considers the following potential contractual and contingent cash and collateral outflows:

- All upcoming maturities of unsecured long-term debt, commercial paper, promissory notes and other unsecured funding products assuming we will be unable to issue new unsecured debt or rollover any maturing debt.
- Repurchases of our outstanding long-term debt in the ordinary course of business as a market maker.
- A portion of upcoming contractual maturities of secured funding trades due to either the inability to refinance or the ability to refinance only at wider haircuts (*i.e.*, on terms which require us to post additional collateral). Our assumptions reflect, among other factors, the quality of the underlying collateral and counterparty concentration.
- Collateral postings to counterparties due to adverse changes in the value of our over-the-counter ("OTC") derivatives and other outflows due to trade terminations, collateral substitutions, collateral disputes, collateral calls or termination payments required by a two-notch downgrade in our credit ratings.
- Variation margin postings required due to adverse changes in the value of our outstanding exchange-traded derivatives and any increase in initial margin and guarantee fund requirements by derivative clearing houses.
- Liquidity outflows associated with our prime services business, including withdrawals of customer credit balances, and a reduction in customer short positions.
- Liquidity outflows to clearing banks to ensure timely settlements of cash and securities transactions.
- Draws on our unfunded commitments considering, among other things, the type of commitment and counterparty.
- Other upcoming large cash outflows, such as tax payments.

Based on the sources and uses of liquidity calculated under the Maximum Liquidity Outflow scenarios, we determine, based on a calculated surplus or deficit, additional long-term funding that may be needed versus funding through the repurchase financing market and consider any adjustments that may be necessary to our inventory balances and cash holdings. At August 31, 2019, we had sufficient excess liquidity to meet all contingent cash outflows detailed in the Maximum Liquidity Outflow. We regularly refine our model to reflect changes in market or economic conditions and our business mix.

Sources of Liquidity

The following are financial instruments that are cash and cash equivalents or are deemed by management to be generally readily convertible into cash, marginable or accessible for liquidity purposes within a relatively short period of time (dollars in thousands):

	August 31, 2019	Average Balance Quarter ended August 31, 2019 (1)	November 30, 2018
Cash and cash equivalents:			
Cash in banks	$ 1,356,120	$ 2,170,372	$ 2,333,476
Money market investments (2)	3,309,370	1,401,166	2,812,410
Total cash and cash equivalents	4,665,490	3,571,538	5,145,886
Other sources of liquidity:			
Debt securities owned and securities purchased under agreements to resell (3)	1,063,118	1,018,739	958,539
Other (4)	345,039	562,316	499,576
Total other sources	1,408,157	1,581,055	1,458,115
Total cash and cash equivalents and other liquidity sources	$ 6,073,647	$ 5,152,593	$ 6,604,001
Total cash and cash equivalents and other liquidity sources as % of Total assets	14.1%		16.0%
Total cash and cash equivalents and other liquidity sources as % of Total assets less goodwill and intangible assets	14.7%		16.8%

(1) Average balances are calculated based on weekly balances.

(2) At August 31, 2019 and November 30, 2018, $3,247.0 million and $2,250.0 million, respectively, was invested in U.S. government money funds that invest at least 99.5% of its total assets in cash, securities issued by the U.S. government and U.S. government-sponsored entities, and repurchase agreements that are fully collateralized by cash or government securities. The remaining $62.4 million and $562.4 million at August 31, 2019 and November 30, 2018, respectively, are invested in Triple A rated prime money funds. The average balance of U.S. government money funds for the quarter ended August 31, 2019 was $1,023.3 million.

(3) Consists of high quality sovereign government securities and reverse repurchase agreements collateralized by U.S. government securities and other high quality sovereign government securities; deposits with a central bank within the European Economic Area, Canada, Australia, Japan, Switzerland or the U.S.; and securities issued by a designated multilateral development bank and reverse repurchase agreements with underlying collateral comprised of these securities.

(4) Other includes unencumbered inventory representing an estimate of the amount of additional secured financing that could be reasonably expected to be obtained from our Financial instruments owned that are currently not pledged after considering reasonable financing haircuts.

In addition to the cash balances and liquidity pool presented above, the majority of financial instruments (both long and short) in our trading accounts are actively traded and readily marketable. At August 31, 2019, we had the ability to readily obtain repurchase financing for 73.7% of our inventory at haircuts of 10% or less, which reflects the liquidity of our inventory. In addition, as a matter of our policy, all of these assets have internal capital assessed, which is in addition to the funding haircuts provided in the securities finance markets. Additionally, certain of our Financial instruments owned, primarily consisting of bank loans, consumer loans and investments are predominantly funded by long term capital. Under our cash capital policy, we model capital allocation levels that are more stringent than the haircuts used in the market for secured funding; and we maintain surplus capital at these more stringent levels. We continually assess the liquidity of our inventory based on the level at which we could obtain financing in the market place for a given asset. Assets are considered to be liquid if financing can be obtained in the repurchase market or the securities lending market at collateral haircut levels of 10% or less. The following summarizes our financial instruments by asset class that we consider to be of a liquid nature and the amount of such assets that have not been pledged as collateral at August 31, 2019 and November 30, 2018 (in thousands):

	August 31, 2019		November 30, 2018	
	Liquid Financial Instruments	Unencumbered Liquid Financial Instruments (2)	Liquid Financial Instruments	Unencumbered Liquid Financial Instruments (2)
Corporate equity securities	$ 2,334,267	$ 212,378	$ 1,907,064	$ 317,189
Corporate debt securities	2,299,621	14,365	1,775,721	104,685
U.S. government, agency and municipal securities	2,946,757	150,406	2,648,843	294,030
Other sovereign obligations	2,550,571	981,913	2,626,212	840,578
Agency mortgage-backed securities (1)	1,715,564	—	2,972,638	—
Loans and other receivables	215,269	—	272,201	—
Total	$ 12,062,049	$ 1,359,062	$ 12,202,679	$ 1,556,482

(1) Consists solely of agency mortgage-backed securities issued by Freddie Mac, Fannie Mae and Ginnie Mae. These securities include pass-through securities, securities backed by adjustable rate mortgages, collateralized mortgage obligations, commercial mortgage-backed securities and interest- and principal-only securities.

(2) Unencumbered liquid balances represent assets that can be sold or used as collateral for a loan, but have not been.

Average liquid financial instruments were $16.1 billion and $16.7 billion for the three and nine months ended August 31, 2019, respectively, and $18.5 billion and $13.0 billion for the three and twelve months ended November 30, 2018, respectively. Average unencumbered liquid financial instruments were $1.6 billion and $1.7 billion for the three and nine months ended August 31, 2019, respectively, and $1.5 billion and $1.6 billion for the three and twelve months ended November 30, 2018, respectively.

In addition to being able to be readily financed at modest haircut levels, we estimate that each of the individual securities within each asset class above could be sold into the market and converted into cash within three business days under normal market conditions, assuming that the entire portfolio of a given asset class was not simultaneously liquidated. There are no restrictions on the unencumbered liquid securities, nor have they been pledged as collateral.

Sources of Funding and Capital Resources

Our assets are funded by equity capital, senior debt, securities loaned, securities sold under agreements to repurchase, customer free credit balances, bank loans and other payables.

Secured Financing

We rely principally on readily available secured funding to finance our inventory of financial instruments. Our ability to support increases in total assets is largely a function of our ability to obtain short and intermediate-term secured funding, primarily through securities financing transactions. We finance a portion of our long inventory and cover some of our short inventory by pledging and borrowing securities in the form of repurchase or reverse repurchase agreements (collectively “repos”), respectively. Approximately 71.2% of our cash and noncash repurchase financing activities use collateral that is considered eligible collateral by central clearing corporations. Central clearing corporations are situated between participating members who borrow cash and lend securities (or vice versa); accordingly, repo participants contract with the central clearing corporation and not one another individually. Therefore, counterparty credit risk is borne by the central clearing corporation which mitigates the risk through initial margin demands and variation margin calls from repo participants. The comparatively large proportion of our total repo activity that is eligible for central clearing reflects the high quality and liquid composition of the inventory we carry in our trading books. For those asset classes not eligible for central clearing house financing, we seek to execute our bi-lateral financings on an extended term basis and the tenor of our repurchase and reverse repurchase agreements generally exceeds the expected holding period of the assets we are financing. The weighted average maturity of cash and noncash repurchase agreements for non-clearing corporation eligible funded inventory is approximately five months at August 31, 2019.

Our ability to finance our inventory via central clearinghouses and bi-lateral arrangements is augmented by our ability to draw bank loans on an uncommitted basis under our various banking arrangements. At August 31, 2019, short-term borrowings, which must be repaid within one year or less and include bank loans and overdrafts, borrowings under revolving credit facilities and structured notes totaled $518.9 million. Interest under the bank lines is generally at a spread over the federal funds rate. Letters of credit are used in the normal course of business mostly to satisfy various collateral requirements in favor of exchanges in lieu of depositing cash or securities. Average daily short-term borrowings outstanding were $496.5 million and $580.8 million for the three and nine months ended August 31, 2019, respectively.

Our short-term borrowings include the following facilities:

- *Credit Facility.* On December 27, 2018, one of our subsidiaries entered into a Credit Facility with JPMorgan Chase Bank, N.A. for a committed amount of $135.0 million. Interest is based on an annual alternative base rate or an adjusted London Interbank Offered Rate ("LIBOR"), as defined in the Credit Facility. The Credit Facility contains certain covenants that, among other things, require Jefferies Group LLC to maintain a specified level of tangible net worth. The covenants also require the borrower to maintain specified leverage amounts and impose certain restrictions on the borrower's future indebtedness. During the nine months ended August 31, 2019, we were in compliance with all debt covenants under the Credit Facility.

- *Intraday Credit Facility.* The Bank of New York Mellon has agreed to make revolving intraday credit advances ("Intraday Credit Facility") for an aggregate committed amount of $150.0 million. The Intraday Credit Facility contains financial covenants, which include a minimum regulatory net capital requirement for our U.S. broker-dealer, Jefferies LLC. Interest is based on the higher of the Federal funds effective rate plus 0.5% or the prime rate. During the nine months ended August 31, 2019, we were in compliance with all debt covenants under the Intraday Credit Facility.

On March 28, 2019, we entered into a promissory note with Jefferies Finance, which was repaid on May 15, 2019. For further information on this promissory note, refer to Note 9, Investments, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

For additional details on our short-term borrowings, refer to Note 11, Short-Term Borrowings, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

In addition to the above financing arrangements, we issue notes backed by eligible collateral under a master repurchase agreement, which provides an additional financing source for our inventory (our "repurchase agreement financing program"). The notes issued under the program are presented within Other secured financings in our Consolidated Statements of Financial Condition. At August 31, 2019, the outstanding notes were $1.8 billion, bear interest at a spread over LIBOR and mature from September 2019 to July 2021.

For additional details on our repurchase agreement financing program, refer to Note 8, Variable Interest Entities, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Total Long-Term Capital

At August 31, 2019 and November 30, 2018, we had total long-term capital of $12.2 billion and $11.8 billion, respectively, resulting in a long-term debt to equity capital ratio of 0.97:1 and 0.92:1, respectively. See "Equity Capital" herein for further information on our change in total equity. Our total long-term capital base at August 31, 2019 and November 30, 2018 was as follows (in thousands):

	August 31, 2019	November 30, 2018
Long-Term Debt (1)	$ 6,029,670	$ 5,657,420
Total Equity	6,189,530	6,182,404
Total Long-Term Capital	$ 12,219,200	$ 11,839,824

(1) Long-term debt at August 31, 2019 excludes $548.6 million of our 2.375% Euro Medium Term Notes, as these notes mature on May 20, 2020 and $188.9 million of our outstanding borrowings under our senior secured revolving credit facility ("Revolving Credit Facility"). Long-term debt at November 30, 2018 excludes $5.7 million of our structured notes, as these notes matured on February 26, 2019, $699.7 million of our 8.500% senior notes, as these notes mature on July 15, 2019 and $183.5 million of our outstanding borrowings under our Revolving Credit Facility.

Long-Term Debt

During the nine months ended August 31, 2019, long-term debt increased $220.9 million. This increase is primarily due to structured notes issuances with a total principal amount of approximately $283.2 million, net of retirements. In addition, on July 19, 2019, under our $2.5 billion Euro Medium Term Note Program, we issued 1.000% senior unsecured notes with a principal amount of $553.6 million, due 2024. Proceeds amounted to $551.4 million. The increase in long-term debt was partially offset by repayments of $680.8 million of our 8.500% senior notes. At August 31, 2019, all of our structured notes contain various interest rate payment terms and are accounted for at fair value, with changes in fair value resulting from a change in the instrument-specific credit risk presented in other comprehensive income and changes in fair value resulting from non-credit components recognized in Principal transactions revenues. The fair value of all of our structured notes at August 31, 2019 was $1,014.5 million. For further information, see Note 12, Long-Term Debt, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

We have a Revolving Credit Facility with a group of commercial banks for an aggregate principal amount of $190.0 million. At August 31, 2019,

borrowings under the Revolving Credit Facility amounted to $188.9 million. Interest is based on an annual alternative base rate or an adjusted LIBOR, as defined in the Revolving Credit Facility agreement. The Revolving Credit Facility contains certain covenants that, among other things, requires Jefferies Group LLC to maintain specified level of tangible net worth and liquidity amounts, and imposes certain restrictions on future indebtedness of and requires specified levels of regulated capital for certain of our subsidiaries. Throughout the period and at August 31, 2019, no instances of noncompliance with the Revolving Credit Facility covenants occurred and we expect to remain in compliance given our current liquidity, and anticipated funding requirements given our business plan and profitability expectations. For further information, see Note 12, Long-Term Debt, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

At August 31, 2019, our long-term debt, excluding the Revolving Credit Facility, has a weighted average maturity of approximately 9.0 years.

Our long-term debt ratings at August 31, 2019 are as follows:

	Rating	Outlook
Moody's Investors Service	Baa3	Stable
Standard and Poor's (1)	BBB-	Positive
Fitch Ratings	BBB	Stable

(1) On July 11, 2019, Standard and Poor's ("S&P") reaffirmed our long-term debt rating of BBB- and revised our rating outlook from stable to positive.

At August 31, 2019, the long-term ratings on our principal operating broker-dealers, Jefferies LLC and Jefferies International Limited (a U.K. broker-dealer) are as follows:

	Jefferies LLC		Jefferies International Limited	
	Rating	Outlook	Rating	Outlook
Moody's Investors Service	Baa2	Stable	Baa2	Stable
S&P (1)	BBB	Positive	BBB	Positive

(1) On July 11, 2019, S&P reaffirmed our long-term debt rating of BBB and revised our rating outlook from stable to positive.

Access to external financing to finance our day to day operations, as well as the cost of that financing, is dependent upon various factors, including our debt ratings. Our current debt ratings are dependent upon many factors, including industry dynamics, operating and economic environment, operating results, operating margins, earnings trend and volatility, balance sheet composition, liquidity and liquidity management, our capital structure, our overall risk management, business diversification and our market share and competitive position in the markets in which we operate. Deteriorations in any of these factors could impact our credit ratings. While certain aspects of a credit rating downgrade are quantifiable pursuant to contractual provisions, the impact on our business and trading results in future periods is inherently uncertain and depends on a number of factors, including the magnitude of the downgrade, the behavior of individual clients and future mitigating action taken by us.

In connection with certain over-the-counter derivative contract arrangements and certain other trading arrangements, we may be required to provide additional collateral to counterparties, exchanges and clearing organizations in the event of a credit rating downgrade. At August 31, 2019, the amount of additional collateral that could be called by counterparties, exchanges and clearing organizations under the terms of such agreements in the event of a downgrade of our long-term credit rating below investment grade was $96.5 million. For certain foreign clearing organizations, credit rating is only one of several factors employed in determining collateral that could be called. The above represents management's best estimate for additional collateral to be called in the event of credit rating downgrade. The impact of additional collateral requirements is considered in our Contingency Funding Plan and calculation of Maximum Liquidity Outflow, as described above.

JEFFERIES GROUP LLC AND SUBSIDIARIES

Equity Capital

As compared to November 30, 2018, the increase to total Jefferies Group LLC member's equity at August 31, 2019 is primarily attributed to net earnings and changes in instruments specific credit risk, partially offset by distributions to Jefferies and foreign currency translation adjustments during the nine months ended August 31, 2019. During the three and nine months ended August 31, 2019, we recognized losses due to foreign currency translation adjustments of $28.0 million and $34.3 million, respectively, the majority of which is due to our £716.4 million investment in our London subsidiaries at August 31, 2019. The gains or losses resulting from translating foreign currency financial statements into U.S. dollars, net of hedging gains or losses and taxes, if any, are included in Other comprehensive income. For further information on foreign currency translations, see Note 2, Summary of Significant Accounting Policies our in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

During the nine months ended August 31, 2019, we paid distributions of $108.7 million to Jefferies, based on our results for the nine months ended May 31, 2019. In addition, on January 29, 2019, our Board of Directors approved a distribution of $100.0 million to Jefferies, which was paid on January 30, 2019. At August 31, 2019, we have accrued a distribution payable of $32.5 million based on our results for the three months ended August 31, 2019.

Net Capital

As a broker-dealer registered with the SEC and member firms of the Financial Industry Regulatory Authority ("FINRA"), Jefferies LLC is subject to the Securities and Exchange Commission Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum net capital, and has elected to calculate minimum capital requirements using the alternative method permitted by Rule 15c3-1 in calculating net capital. Jefferies LLC, as a dually-registered U.S. broker-dealer and futures commission merchant ("FCM"), is also subject to Rule 1.17 of the Commodity Futures Trading Commission ("CFTC"), which sets forth minimum financial requirements. The minimum net capital requirement in determining excess net capital for a dually-registered U.S. broker-dealer and FCM is equal to the greater of the requirement under Rule 15c3-1 or CFTC Rule 1.17.

At August 31, 2019, Jefferies LLC's net capital and excess net capital were as follows (in thousands):

	Net Capital	Excess Net Capital
Jefferies LLC	$ 1,474,186	$ 1,356,458

FINRA is the designated examining authority for our U.S. broker-dealer and the National Futures Association is the designated self-regulatory organization for Jefferies LLC as an FCM.

Certain other U.S. and non-U.S. subsidiaries are subject to capital adequacy requirements as prescribed by the regulatory authorities in their respective jurisdictions, including Jefferies International Limited which is subject to the regulatory supervision and requirements of the Financial Conduct Authority in the United Kingdom. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") was signed into law on July 21, 2010. The Dodd-Frank Act contains provisions that require the registration of all swap dealers, major swap participants, security-based swap dealers, and/or major security-based swap participants. While entities that register under these provisions will be subject to regulatory capital requirements, these regulatory capital requirements have not yet been finalized. We expect that these provisions will result in modifications to the regulatory capital requirements of some of our entities, and will result in some of our other entities becoming subject to regulatory capital requirements for the first time, including Jefferies Financial Services, Inc., which registered as a swap dealer with the CFTC during January 2013 and Jefferies Financial Products LLC, which registered during August 2014.

The regulatory capital requirements referred to above may restrict our ability to withdraw capital from our regulated subsidiaries.

On March 29, 2017, the United Kingdom notified the European Council and triggered a period to negotiate its withdrawal from the European Union ("Brexit"). While, there is ongoing uncertainty as to the terms and any potential transition periods related to Brexit, we have taken steps to ensure our ability to provide services to our European clients without interruption. As such, we have established a wholly-owned subsidiary of our UK broker-dealer in Germany, which has been approved as an authorized MiFID investment firm by the German regulator and which will enable us to conduct business across all of our European investment banking, fixed income and equity platforms. Our plans contemplate providing sufficient capital pursuant to the regulatory requirements for the planned operations as well pursuant to requirements of relevant clearing organizations.

Off-Balance Sheet Arrangements and Contractual Obligations

Off-Balance Sheet Arrangements

We have contractual commitments arising in the ordinary course of business for securities loaned or purchased under agreements to resell, repurchase agreements, future purchases and sales of foreign currencies, securities transactions on a when-issued basis and underwriting. Each of these financial instruments and activities contains varying degrees of off-balance sheet risk whereby the fair values of the securities underlying the financial instruments may be in excess of, or less than, the contract amount. The settlement of these transactions is not expected to have a material effect upon our consolidated financial statements.

In the normal course of business, we engage in other off-balance sheet arrangements, including derivative contracts. Neither derivatives' notional amounts nor underlying instrument values are reflected as assets or liabilities in our Consolidated Statements of Financial Condition. Rather, the fair values of derivative contracts are reported in our Consolidated Statements of Financial Condition as Financial instruments owned or Financial instruments sold, not yet purchased as applicable. Derivative contracts are reflected net of cash paid or received pursuant to credit support agreements and are reported on a net by counterparty basis when a legal right of offset exists under an enforceable master netting agreement. For additional information about our accounting policies and our derivative activities, see Note 2, Summary of Significant Accounting Policies our in

our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 and Note 4, Fair Value Disclosures and Note 5, Derivative Financial Instruments, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

We are routinely involved with variable interest entities ("VIEs") in the normal course of business. At August 31, 2019, we did not have any commitments to purchase assets from these VIEs. For additional information regarding our involvement with VIEs, see Note 7, Securitization Activities, and Note 8, Variable Interest Entities, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Due to the uncertainty regarding the timing and amounts that will ultimately be paid, our liability for unrecognized tax benefits has been excluded from the below contractual obligations table. See Note 15, Income Taxes, in our consolidated financial statements included in this Quarterly Report on Form 10-Q for further information for further information.

For information on our commitments and guarantees, see Note 16, Commitments, Contingencies and Guarantees, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Contractual Obligations

The table below provides information about our contractual obligations at August 31, 2019. The table presents principal cash flows with expected maturity dates (in millions):

	Expected Maturity Date					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Total
Debt obligations:						
Unsecured long-term debt (contractual principal payments net of unamortized discounts and premiums) (1)	$ —	$ 548.6	$ 811.3	$ 1,160.6	$ 4,057.8	$ 6,578.3
Revolving credit facility (1)	—	—	188.9	—	—	188.9
Interest payment obligations on long-term debt (2)	83.4	313.4	517.8	409.5	1,623.4	2,947.5
Total	$ 83.4	$ 862.0	$ 1,518.0	$ 1,570.1	$ 5,681.2	$ 9,714.7

(1) For additional information on long-term debt, see Note 12, Long-Term Debt, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

(2) Amounts based on applicable interest rates at August 31, 2019.

Risk Management

Overview

Risk is an inherent part of our business and activities. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our activities is critical to our financial soundness, viability and profitability. Accordingly, we have a comprehensive risk management approach, with a formal governance structure and processes to identify, assess, monitor and manage risk. Principal risks involved in our business activities include market, credit, liquidity and capital, operational, legal and compliance, new business and reputational risk.

Risk management is a multifaceted process that requires communication, judgment and knowledge of financial products and markets. Our risk management process encompasses the active involvement of executive and senior management, and also many departments independent of the revenue-producing business units, including the Risk Management, Operations, Compliance, Legal and Finance Departments. Our risk management policies, procedures and methodologies are flexible in nature and are subject to ongoing review and modification.

In achieving our strategic business objectives, our risk appetite incorporates keeping our clients' interests at the top of our priority list and ensuring we are in compliance with applicable laws, rules and regulations, as well as adhering to the highest ethical standards. We undertake prudent and conservative risk-taking that protects the capital base and franchise, utilizing risk limits and tolerances that avoid outsized risk-taking. We maintain a diversified business mix and avoid significant concentrations to any sector, product, geography, or activity and set quantitative concentration limits to manage this risk. We consider contagion, second order effects and correlation in our risk assessment process and actively seek out value opportunities of all sizes. We manage the risk of opportunities larger than our approved risk levels through risk sharing and risk distribution, sell-down and hedging as appropriate. We have a limited appetite for illiquid assets and complex derivative financial instruments. We

maintain the asset quality of our balance sheet through conducting trading activity in liquid markets and generally ensure high turnover of our inventory. We subject less liquid positions and derivative financial instruments to oversight and use a wide variety of specific metrics, limits, and constraints to manage these risks. We protect our reputation and franchise, as well as our standing within the market. We operate a federated approach to risk management with risk oversight responsibilities assigned to those areas of the business that have the appropriate knowledge.

For discussion of liquidity and capital risk management, refer to the “Liquidity, Financial Condition and Capital Resources” section herein.

Governance and Risk Management Structure and Risk Policy Framework

For a discussion of our governance and risk management structure and our risk management framework, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Risk Management” in Part II, Item 7 of our Annual Report on Form 10-K for the year ended November 30, 2018.

Risk Considerations

We apply a comprehensive framework of limits on a variety of key metrics to constrain the risk profile of our business activities. The size of the limits reflects our risk tolerance for a certain activity under normal business conditions. Key metrics included in our risk management framework include inventory position and exposure limits on a gross and net basis, scenario analysis and stress tests, Value-at-Risk (“VaR”), sensitivities, exposure concentrations, aged inventory, amount of Level 3 assets, counterparty exposure, leverage and cash capital.

Market Risk

Market risk is defined as the risk of loss due to fluctuations in the market value of financial assets and liabilities attributable to changes in market variables.

Our market risk principally arises from interest rate risk, from exposure to changes in the yield curve, the volatility of interest rates, and credit spreads, and from equity price risks from exposure to changes in prices and volatilities of individual equities, equity baskets and equity indices. In addition, commodity price risk results from exposure to the changes in prices and volatilities of individual commodities, commodity baskets and commodity indices, and foreign exchange risk results from changes in foreign currency rates.

Market risk is present in our market making, proprietary trading, underwriting, specialist and investing activities and is principally managed by diversifying exposures, controlling position sizes, and establishing economic hedges in related securities or derivatives. Due to imperfections in correlations, gains and losses can occur even for positions that are economically hedged. Position limits in trading and inventory accounts are established and monitored on an ongoing basis. Each day, consolidated position and exposure reports are prepared and distributed to various levels of management, which enable management to monitor inventory levels and the results of our trading businesses.

VaR

VaR is a statistical estimate of the potential loss from adverse market movements over a specified time horizon within a specified probability (confidence level). It provides a common risk measure across financial instruments, markets and asset classes. We estimate VaR using a model that simulates revenue and loss distributions on our trading portfolios by applying historical market changes to the current portfolio. We calculate a one-day VaR using a one year look-back period measured at a 95% confidence level.

As with all measures of VaR, our estimate has inherent limitations due to the assumption that historical changes in market conditions are representative of the future. Furthermore, the VaR model measures the risk of a current static position over a one-day horizon and might not capture the market risk over a longer time horizon where moves may be more extreme. Previous changes in market risk factors may not generate accurate predictions of future market movements. While we believe the assumptions and inputs in our risk model are reasonable, we could incur losses greater than the reported VaR. Consequently, this VaR estimate is only one of a number of tools we use in our daily risk management activities.

Our average daily VaR increased to $9.71 million for the three months ended August 31, 2019 from $8.70 million for the three months ended May 31, 2019. The increase was primarily due to higher interest rate risk volatility and a lower diversification benefit, partially offset by lower equity price risk mainly due to the liquidation of certain separately managed accounts within our Asset Management businesses.

The following table illustrates each separate component of VaR for each component of market risk by interest rate, equity, currency and commodity products, as well as for our overall trading positions using the past 365 days of historical data (in millions):

Daily VaR (1)

Value-at-Risk in Trading Portfolios

Risk Categories	VaR at August 31, 2019	Daily VaR for the Three Months Ended August 31, 2019			VaR at May 31, 2019	Daily VaR for the Three Months Ended May 31, 2019		
		Average	High	Low		Average	High	Low
Interest Rates	$ 5.49	$ 4.64	$ 5.87	$ 3.40	$ 4.41	$ 3.41	$ 4.41	$ 2.58
Equity Prices	5.94	7.70	13.17	4.96	12.66	9.99	12.66	7.51
Currency Rates	0.38	0.27	0.52	0.07	0.09	0.25	1.41	0.06
Commodity Prices	0.87	0.94	1.18	0.75	1.08	1.00	1.26	0.70
Diversification Effect (2)	(4.04)	(3.84)	N/A	N/A	(7.41)	(5.95)	N/A	N/A
Firmwide	$ 8.64	$ 9.71	$ 14.83	$ 6.59	$ 10.83	$ 8.70	$ 10.83	$ 6.48

(1) For the VaR numbers reported above, a one-day time horizon, with a one year look-back period, and a 95% confidence level were used.

(2) The diversification effect is not applicable for the maximum and minimum VaR values as the firmwide VaR and the VaR values for the four risk categories might have occurred on different days during the period.

The aggregated VaR presented here is less than the sum of the individual components (*i.e.*, interest rate risk, foreign exchange rate risk, equity risk and commodity price risk) due to the benefit of diversification among the four risk categories. Diversification benefit equals the difference between aggregated VaR and the sum of VaRs for the four risk categories and arises because the market risk categories are not perfectly correlated.

The primary method used to test the efficacy of the VaR model is to compare our actual daily net revenue for those positions included in our VaR calculation with the daily VaR estimate. This evaluation is performed at various levels of the trading portfolio, from the overall level down to specific business lines. For the VaR model, trading related revenue is defined as principal transactions revenues, trading related commissions, revenue from securitization activities and net interest income.

For a 95% confidence one day VaR model (*i.e.*, no intra-day trading), assuming current changes in market value are consistent with the historical changes used in the calculation, net trading losses would not be expected to exceed the VaR estimates more than twelve times on an annual basis (*i.e.*, once in every 20 days). During the three months ended August 31, 2019, results of the evaluation at the aggregate level demonstrated one day when the net trading loss exceeded the 95% one day VaR, due to an equity block position.

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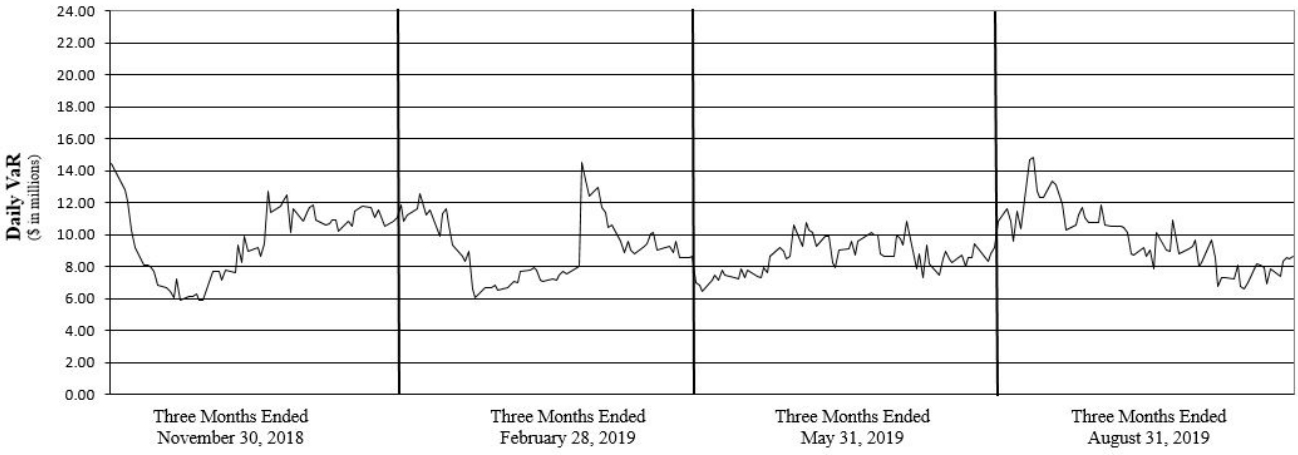
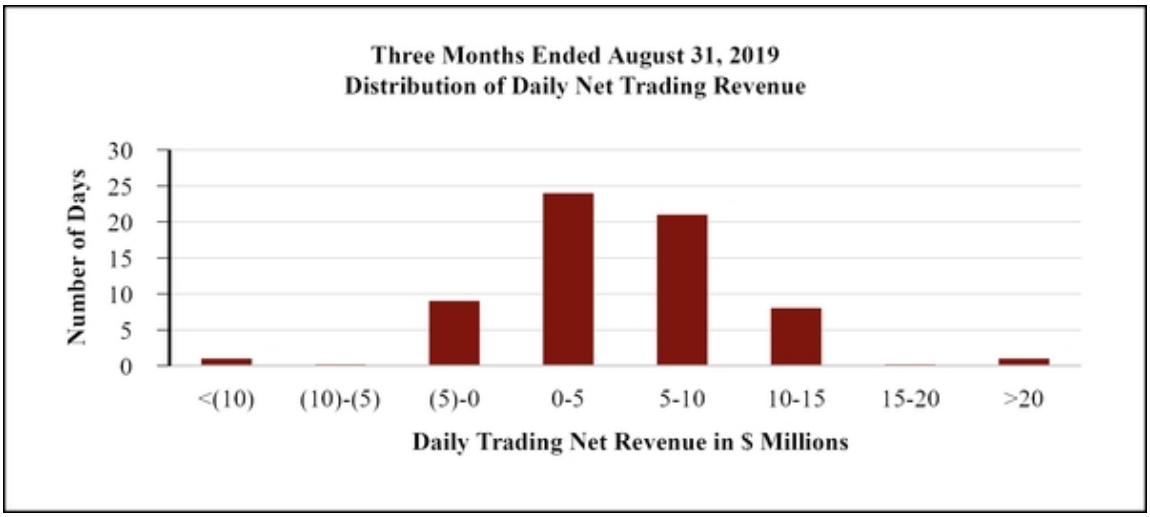
The chart below reflects our daily VaR over the last four quarters with the significant increase in the daily VaR in the middle of the three months ended February 28, 2019 due to an equity block position, which then decreased in the latter part of the quarter due to lower market price volatility and the increase in the beginning of the three months ended August 31, 2019 was also due to an equity block position. In addition, our daily VaR increased in the latter part of 2018 due to the transfer to us by Jefferies, in the fourth quarter of 2018, of investments in certain separately managed accounts and funds. See Note 1, Organization and Basis of Presentation for further details on this transfer.



Daily Net Trading Revenue

There were 10 days with trading losses out of a total of 64 trading days in the three months ended August 31, 2019. The histogram below presents the distribution of our actual daily net trading revenue for substantially all of our trading activities for the three months ended August 31, 2019 (in millions).



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Other Risk Measures

Certain positions within financial instruments are not included in the VaR model because VaR is not the most appropriate measure of risk. Accordingly, Risk Management has additional procedures in place to assure that the level of potential loss that would arise from market movements are within acceptable levels. Such procedures include performing stress tests, monitoring concentration risk and tracking price target/stop loss levels. The table below presents the potential reduction in net income associated with a 10% stress of the fair value of the positions that are not included in the VaR model at August 31, 2019 (in thousands):

	10% Sensitivity
Investments in funds (1)	$ 57,346
Private investments	27,451
Corporate debt securities in default	6,275
Trade claims	4,269

(1) Includes investments in hedge funds, fund of funds and private equity funds. For additional details on these investments refer to "Investments at Fair Value" within Note 4, Fair Value Disclosures, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

The impact of changes in our own credit spreads on our structured notes for which the fair value option was elected is not included in VaR. The estimated credit spread risk sensitivity for each one basis point widening in our own credit spreads on financial liabilities for which the fair value option was elected was an increase in value of approximately $1.12 million at August 31, 2019, which is included in other comprehensive income.

Stress Tests and Scenario Analysis

Stress tests are used to analyze the potential impact of specific events or extreme market moves on the current portfolio both firm-wide and within business segments. Stress testing is an important part of our risk management approach because it allows us to quantify our exposure to tail risks, highlight potential loss concentrations, undertake risk/reward analysis, set risk controls and overall assess and mitigate our risk.

We employ a range of stress scenarios, which comprise both historical market price and rate changes and hypothetical market environments, and generally involve simultaneous changes of many risk factors. Indicative market changes in the scenarios include, but are not limited to, a large widening of credit spreads, a substantial decline in equities markets, significant moves in selected emerging markets, large moves in interest rates and changes in the shape of the yield curve.

Unlike our VaR, which measures potential losses within a given confidence interval, stress scenarios do not have an associated implied probability. Rather, stress testing is used to estimate the potential loss from market moves that tend to be larger than those embedded in the VaR calculation. Stress testing complements VaR to cover for potential limitations of VaR such as the breakdown in correlations, non-linear risks, tail risk and extreme events and capturing market moves beyond the confidence levels assumed in the VaR calculations.

Stress testing is performed and reported at least weekly as part of our risk management process and on an ad hoc basis in response to market events or concerns. Current stress tests provide estimated revenue and loss of the current portfolio through a range of both historical and hypothetical events. The stress scenarios are reviewed and assessed at least annually so that they remain relevant and up to date with market developments. Additional hypothetical scenarios are also conducted on a sub-portfolio basis to assess the impact of any relevant idiosyncratic stress events as needed.

Counterparty Credit Risk

Credit risk is the risk of loss due to adverse changes in a counterparty's credit worthiness or its ability or willingness to meet its financial obligations in accordance with the terms and conditions of a financial contract.

We are exposed to credit risk as trading counterparty to other broker-dealers and customers, as a direct lender and through extending loan commitments, as a holder of securities and as a member of exchanges and clearing organizations. Credit exposure exists across a wide-range of products, including cash and cash equivalents, loans, securities finance transactions and over-the-counter derivative contracts. The main sources of credit risk are:

- Loans and lending arising in connection with our capital markets activities, which reflects our exposure at risk on a default event with no recovery of loans. Current exposure represents loans that have been drawn by the borrower and lending commitments that are outstanding. In addition, credit exposures on forward settling traded loans are included within our loans and lending exposures for consistency with the balance sheet categorization of these items. Loans and lending also arise in connection with our portion of a Secured Revolving Credit Facility that is with us and Massachusetts Mutual Life Insurance Company, to be funded equally, to support loan underwritings by Jefferies Finance. For further information on this facility, refer to Note 9, Investments, in our consolidated financial statements included in this Quarterly Report on Form 10-Q. In addition, we have loans outstanding to certain of our officers and employees (none of whom are executive officers or directors). For further information on these employee loans, refer to Note 19, Related Party Transactions, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

- Securities and margin financing transactions, which reflect our credit exposure arising from reverse repurchase agreements, repurchase agreements and securities lending agreements to the extent the fair value of the underlying collateral differs from the contractual agreement amount and from margin provided to customers.

- OTC derivatives, which are reported net by counterparty when a legal right of setoff exists under an enforceable master netting agreement. OTC derivative exposure is based on a contract at fair value, net of cash collateral received or posted under credit support agreements. In addition, credit exposures on forward settling trades are included within our derivative credit exposures.

- Cash and cash equivalents, which includes both interest-bearing and non-interest-bearing deposits at banks.

Credit is extended to counterparties in a controlled manner and in order to generate acceptable returns, whether such credit is granted directly or is incidental to a transaction. All extensions of credit are monitored and managed as a whole to limit exposure to loss related to credit risk. Credit risk is managed according to the Credit Risk Policy, which sets out the process for identifying counterparty credit risk, establishing counterparty limits, and managing and monitoring credit limits. The policy includes our approach for:

- Client on-boarding and approving counterparty credit limits;

- Negotiating, approving and monitoring credit terms in legal and master documentation;

- Determining the analytical standards and risk parameters for ongoing management and monitoring credit risk books;

- Actively managing daily exposure, exceptions and breaches; and

- Monitoring daily margin call activity and counterparty performance.

Counterparty credit exposure limits are granted within our credit ratings framework, as detailed in the Credit Risk Policy. The Credit Risk Department assesses counterparty credit risk and sets credit limits at the counterparty master agreement level. Limits must be approved by appropriate credit

officers and initiated in our credit and trading systems before trading commences. All credit exposures are reviewed against approved limits on a daily basis.

Our Secured Revolving Credit Facility, which supports loan underwritings by Jefferies Finance, is governed under separate policies other than the Credit Risk Policy and is approved by our Board of Directors. The loans outstanding to certain of our officers and employees are extended pursuant to a review by our most senior management.

Current counterparty credit exposures at August 31, 2019 and November 30, 2018 are summarized in the tables below and provided by credit quality, region and industry (in millions). Credit exposures presented take netting and collateral into consideration by counterparty and master agreement. Collateral taken into consideration includes both collateral received as cash as well as collateral received in the form of securities or other arrangements. Current exposure is the loss that would be incurred on a particular set of positions in the event of default by the counterparty, assuming no recovery. Current exposure equals the fair value of the positions less collateral. Issuer risk is the credit risk arising from inventory positions (for example, corporate debt securities and secondary bank loans). Issuer risk is included in our country risk exposure tables below.

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Counterparty Credit Exposure by Credit Rating

	Loans and Lending		Securities and Margin Finance		OTC Derivatives		Total		Cash and Cash Equivalents		Total with Cash and Cash Equivalents	
	At		At		At		At		At		At	
	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018
AAA Range	$ —	$ —	$ 12.8	$ 3.2	$ —	$ —	$ 12.8	$ 3.2	$ 3,309.4	$ 2,981.2	$ 3,322.2	$ 2,984.4
AA Range	45.0	45.1	34.6	45.3	3.2	4.2	82.8	94.6	3.9	111.6	86.7	206.2
A Range	0.4	0.3	612.0	573.3	123.9	97.9	736.3	671.5	1,348.0	1,865.9	2,084.3	2,537.4
BBB Range	250.1	250.1	153.3	206.6	31.6	15.5	435.0	472.2	3.6	2.3	438.6	474.5
BB or Lower	13.5	—	22.9	5.5	189.6	15.7	226.0	21.2	—	107.5	226.0	128.7
Unrated	75.5	119.3	—	—	8.5	—	84.0	119.3	0.6	77.4	84.6	196.7
Total	$ 384.5	$ 414.8	$ 835.6	$ 833.9	$ 356.8	$ 133.3	$ 1,576.9	$ 1,382.0	$ 4,665.5	$ 5,145.9	$ 6,242.4	$ 6,527.9

Counterparty Credit Exposure by Region

	Loans and Lending		Securities and Margin Finance		OTC Derivatives		Total		Cash and Cash Equivalents		Total with Cash and Cash Equivalents	
	At		At		At		At		At		At	
	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018
Asia/Latin America/Other	$ 13.5	$ —	$ 55.3	$ 30.2	$ 1.7	$ 0.1	$ 70.5	$ 30.3	$ 90.8	$ 304.0	$ 161.3	$ 334.3
Europe	0.1	0.3	363.8	427.0	81.8	27.3	445.7	454.6	263.5	170.8	709.2	625.4
North America	370.9	414.5	416.5	376.7	273.3	105.9	1,060.7	897.1	4,311.2	4,671.1	5,371.9	5,568.2
Total	$ 384.5	$ 414.8	$ 835.6	$ 833.9	$ 356.8	$ 133.3	$ 1,576.9	$ 1,382.0	$ 4,665.5	$ 5,145.9	$ 6,242.4	$ 6,527.9

Counterparty Credit Exposure by Industry

	Loans and Lending		Securities and Margin Finance		OTC Derivatives		Total		Cash and Cash Equivalents		Total with Cash and Cash Equivalents	
	At		At		At		At		At		At	
	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018	August 31, 2019	November 30, 2018
Asset Managers	$ —	$ —	$ 2.1	$ 0.6	$ —	$ —	$ 2.1	$ 0.6	$ 3,309.4	$ 2,812.4	$ 3,311.5	$ 2,813.0
Banks, Broker-dealers	250.1	250.4	628.2	619.6	162.4	118.9	1,040.7	988.9	1,356.1	2,333.5	2,396.8	3,322.4
Corporates	78.7	92.9	—	—	183.0	7.2	261.7	100.1	—	—	261.7	100.1

Other	55.7	71.5	205.3	213.7	11.4	7.2	272.4	292.4	—	—	272.4	292.4
Total	$ 384.5	$ 414.8	$ 835.6	$ 833.9	$ 356.8	$ 133.3	$ 1,576.9	$ 1,382.0	$ 4,665.5	$ 5,145.9	$ 6,242.4	$ 6,527.9

For additional information regarding credit exposure to OTC derivative contracts, refer to Note 5, Derivative Financial Instruments, in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

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Country Risk Exposure

Country risk is the risk that events or developments that occur in the general environment of a country or countries due to economic, political, social, regulatory, legal or other factors, will affect the ability of obligors of the country to honor their obligations. We define the country of risk as the country of jurisdiction or domicile of the obligor, and monitor country risk resulting from both trading positions and counterparty exposure. The following tables reflect our top exposure at August 31, 2019 and November 30, 2018 to the sovereign governments, corporations and financial institutions in those non- U.S. countries in which we have a net long issuer and counterparty exposure (in millions):

August 31, 2019

	Issuer Risk			Counterparty Risk				Issuer and Counterparty Risk	
	Fair Value of Long Debt Securities	Fair Value of Short Debt Securities	Net Derivative Notional Exposure	Loans and Lending	Securities and Margin Finance	OTC Derivatives	Cash and Cash Equivalents	Excluding Cash and Cash Equivalents	Including Cash and Cash Equivalents
United Kingdom	$ 336.7	$ (192.8)	$ (9.7)	$ 0.1	$ 59.4	$ 27.7	$ 178.9	$ 221.4	$ 400.3
Spain	398.9	(267.8)	—	—	0.1	—	—	131.2	131.2
France	347.4	(260.0)	(124.9)	—	139.4	26.6	—	128.5	128.5
Finland	129.1	(15.6)	—	—	—	—	—	113.5	113.5
Canada	192.8	(166.6)	9.6	—	0.7	74.5	1.3	111.0	112.3
Italy	1,293.3	(972.5)	(227.0)	—	—	0.2	—	94.0	94.0
Hong Kong	35.7	(16.5)	0.1	—	0.2	—	46.3	19.5	65.8
Japan	299.1	(279.0)	10.3	—	23.5	—	11.3	53.9	65.2
Switzerland	90.5	(74.2)	2.1	—	30.6	1.9	4.9	50.9	55.8
Brazil	119.6	(62.8)	(2.1)	—	—	—	—	54.7	54.7
Total	$ 3,243.1	$ (2,307.8)	$ (341.6)	$ 0.1	$ 253.9	$ 130.9	$ 242.7	$ 978.6	$ 1,221.3

November 30, 2018

	Issuer Risk			Counterparty Risk				Issuer and Counterparty Risk	
	Fair Value of Long Debt Securities	Fair Value of Short Debt Securities	Net Derivative Notional Exposure	Loans and Lending	Securities and Margin Finance	OTC Derivatives	Cash and Cash Equivalents	Excluding Cash and Cash Equivalents	Including Cash and Cash Equivalents
Finland	$ 279.8	$ (6.7)	$ —	$ —	$ —	$ —	$ 1.0	$ 273.1	$ 274.1
Japan	97.7	(92.8)	8.0	—	11.3	—	136.9	24.2	161.1
Italy	1,778.1	(1,267.5)	(354.5)	—	0.2	0.1	—	156.4	156.4
United Kingdom	311.6	(168.2)	(30.3)	0.3	63.1	18.5	(56.4)	195.0	138.6
Belgium	65.4	(39.8)	2.8	—	—	—	107.3	28.4	135.7
Netherlands	317.4	(316.1)	70.4	—	39.5	—	—	111.2	111.2
Germany	175.4	(384.8)	129.4	—	89.7	1.3	93.3	11.0	104.3
Switzerland	100.5	(50.1)	5.7	—	37.7	2.7	3.8	96.5	100.3
Hong Kong	13.8	(39.7)	3.5	—	0.5	—	84.9	(21.9)	63.0
Singapore	21.1	(1.4)	1.0	—	0.1	—	31.2	20.8	52.0
Total	$ 3,160.8	$ (2,367.1)	$ (164.0)	$ 0.3	$ 242.1	$ 22.6	$ 402.0	$ 894.7	$ 1,296.7

We have net issuer and counterparty risk exposure to Puerto Rico of $35.5 million at August 31, 2019 in connection with our municipal securities market-making activities. The government of Puerto Rico, amid a severe political crisis, is continuing its efforts to restructure its $74.0 billion in

debt, with these efforts reaching a critical point, as discussions with creditors progress and federal support is expected. At August 31, 2019, we had no other material exposure to countries where either sovereign or non-sovereign sectors potentially pose potential default risk as the result of liquidity concerns.

Operational Risk

Operational risk refers to the risk of loss resulting from our operations, including, but not limited to, improper or unauthorized execution and processing of transactions, deficiencies in our operating systems, business disruptions and inadequacies or breaches in our internal control processes. Our businesses are highly dependent on our ability to process, on a daily basis, a large number of transactions across numerous and diverse markets in many currencies. In addition, the transactions we process have become increasingly complex. If our financial, accounting or other data processing systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes, people or systems, we could suffer an impairment to our liquidity, financial loss, a disruption of our businesses, liability to clients, regulatory intervention or reputational damage.

These systems may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services or our inability to occupy one or more of our buildings. The inability of our systems to accommodate an increasing volume of transactions could also constrain our ability to expand our businesses.

We also face the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries we use to facilitate our securities transactions. Any such failure or termination could adversely affect our ability to effect transactions and manage our exposure to risk. In addition, despite the contingency plans we have in place, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the communities in which they are located. This may include a disruption involving electrical, communications, transportation or other services used by us or third parties with which we conduct business.

Our operations rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Although we take protective measures and endeavor to modify them as circumstances warrant, our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code, and other events that could have a security impact. If one or more of such events occur, this potentially could jeopardize our or our clients' or counterparties' confidential and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our, our clients', our counterparties' or third parties' operations. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures, and we may be subject to litigation and financial losses that are either not insured against or not fully covered through any insurance maintained by us.

Our Operational Risk framework includes governance, collection of operational risk incidents, proactive operational risk management, and periodic review and analysis of business metrics to identify and recommend controls and process-related enhancements. Each revenue producing and support department is responsible for the management and reporting of operational risks and the implementation of the Operational Risk policy and processes within the department. Operational Risk policy, framework, infrastructure, methodology, processes, guidance and oversight of the operational risk processes are centralized and consistent firm wide and also subject to regional operational risk governance.

Model Risk

Model risk refers to the risk of losses resulting from decisions that are based on the output of models, due to errors or weaknesses in the design and development, implementation, or improper use of models. We use quantitative models primarily to value certain financial assets and liabilities and to monitor and manage our risk. Model risk is a function of the model materiality, frequency of use, complexity and uncertainty around inputs and assumptions used in a given model. Robust model risk management is a core part of our risk management approach and is overseen through our risk governance structure and risk management controls.

Legal and Compliance Risk

Legal and compliance risk includes the risk of noncompliance with applicable legal and regulatory requirements. We are subject to extensive regulation in the different jurisdictions in which we conduct our business. We have various procedures addressing issues such as regulatory capital requirements, sales and trading practices, use of and safekeeping of customer funds, credit granting, collection activities, anti-money laundering and record keeping. These risks also reflect the potential impact that changes in local and international laws and tax statutes have on the economics and viability of current or future transactions. In an effort to mitigate these risks, we continuously review new and pending regulations and legislation and participate in various industry interest groups. We also maintain an anonymous hotline for employees or others to report suspected inappropriate actions by us or by our employees or agents.

New Business Risk

New business risk refers to the risks of entering into a new line of business or offering a new product. By entering a new line of business or offering a new product, we may face risks that we are unaccustomed to dealing with and may increase the magnitude of the risks we currently face. The New Business Committee reviews proposals for new businesses and new products to determine if we are prepared to handle the additional or increased risks associated with entering into such activities.

Reputational Risk

We recognize that maintaining our reputation among clients, investors, regulators and the general public is an important aspect of minimizing legal and operational risks. Maintaining our reputation depends on a large number of factors, including the selection of our clients and the conduct of our business activities. We seek to maintain our reputation by screening potential clients and by conducting our business activities in accordance with high ethical standards. Our reputation and business activity can be affected by statements and actions of third parties, even false or misleading statements by them. We actively monitor public comment concerning us and are vigilant in seeking to assure accurate information and perception prevails.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Quantitative and qualitative disclosures about market risk are set forth under “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Risk Management” in Part I, Item 2 of this Form 10-Q.

Item 4. Controls and Procedures.

Our Management, under the direction of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are functioning effectively to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

No change in our internal control over financial reporting occurred during the quarter ended August 31, 2019 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Many aspects of our business involve substantial risks of legal and regulatory liability. In the normal course of business, we have been named as defendants or co-defendants in lawsuits involving primarily claims for damages. We are also involved in a number of judicial and regulatory matters, including exams, investigations and similar reviews, arising out of the conduct of our business. Based on currently available information, we do not believe that any matter will have a material adverse effect on our consolidated financial statements.

Item 1A. Risk Factors

Information regarding our risk factors appears in Item 1A. of our Annual Report on Form 10-K for the fiscal year ended November 30, 2018 filed with the SEC on January 29, 2019. These risk factors describe some of the assumptions, risks, uncertainties and other factors that could adversely affect our business or that could otherwise result in changes that differ materially from our expectations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Certificate of Formation of Jefferies Group LLC effective as of March 1, 2013 is incorporated herein by reference to Exhibit 3.2 of Registrant's Form 8-K filed on March 1, 2013.
3.2	Certificate of Conversion of Jefferies Group LLC effective as of March 1, 2013 is incorporated herein by reference to Exhibit 3.1 of Registrant's Form 8-K filed on March 1, 2013.
3.3	Limited Liability Company Agreement of Jefferies Group LLC dated as of March 1, 2013 (with Schedule A supplemented effective May 23, 2018) is incorporated herein by reference to Exhibit 3.3 of Registrant's Form 10-K filed on January 29, 2019.
4	Instruments defining the rights of holders of long-term debt securities of the Registrant and its subsidiaries are omitted pursuant to Item 601(b)(4)(iii) of Regulation S-K. Registrant hereby agrees to furnish copies of these instruments to the Commission upon request.
31.1*	Rule 13a-14(a)/15d-14(a) Certification by Chief Financial Officer.
31.2*	Rule 13a-14(a)/15d-14(a) Certification by Chief Executive Officer.
32*	Rule 13a-14(b)/15d-14(b) and Section 1350 of Title 18 U.S.C. Certification by the Chief Executive Officer and Chief Financial Officer.
101*	Interactive data files pursuant to Rule 405 of Regulation S-T, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Statements of Financial Condition as of August 31, 2019 and November 30, 2018; (ii) the Consolidated Statements of Earnings for the three and nine months ended August 31, 2019 and 2018; (iii) the Consolidated Statements of Comprehensive Income for the three and nine months ended August 31, 2019 and 2018; (iv) the Consolidated Statements of Changes in Equity for the three and nine months ended August 31, 2019 and 2018; (v) the Consolidated Statements of Cash Flows for the nine months ended August 31, 2019 and 2018 and (vi) the Notes to Consolidated Financial Statements.
104	Cover page interactive data file pursuant to Rule 406 of Regulation S-T, formatted in iXBRL (included in Exhibit 101)

* Filed herewith.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

JEFFERIES GROUP LLC
(Registrant)

Date: October 8, 2019

By: /s/ Peregrine C. Broadbent

Peregrine C. Broadbent
Chief Financial Officer
(duly authorized officer)

Exhibit 31.1

RULE 13a-14(a)/15d-14(a)
CERTIFICATION BY THE CHIEF FINANCIAL OFFICER

I, Peregrine C. Broadbent, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jefferies Group LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15 (f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 8, 2019

By: /s/ Peregrine C. Broadbent

Peregrine C. Broadbent
Chief Financial Officer

Exhibit 31.2

RULE 13a-14(a)/15d-14(a)
CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I, Richard B. Handler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jefferies Group LLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15 (f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 8, 2019

By: /s/ Richard B. Handler

Richard B. Handler
Chief Executive Officer

Exhibit 32

Rule 13a-14(b)/15d-14(b) and Section 1350 of Title 18 U.S.C.
CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

I, Richard B. Handler, Chief Executive Officer, and I, Peregrine C. Broadbent, Chief Financial Officer, of Jefferies Group LLC, a Delaware limited liability company (the "Company"), each hereby certifies, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Company's periodic report on Form 10-Q for the period ended August 31, 2019 (the "Form 10-Q") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

* * *

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER
/s/ Richard B. Handler	/s/ Peregrine C. Broadbent
Richard B. Handler	Peregrine C. Broadbent
Date: October 8, 2019	Date: October 8, 2019

A signed original of this written statement required by Section 906 has been provided to Jefferies Group LLC and will be retained by Jefferies Group LLC and furnished to the Securities and Exchange Commission or its staff upon request.

Goodwill and Intangible Assets (Tables)

9 Months Ended Aug. 31, 2019

Goodwill and Intangible Assets Disclosure [Abstract]

Schedule of Goodwill

Goodwill attributed to our reportable business segments are as follows (in thousands):

	August 31, 2019	November 30, 2018
Capital Markets	$ 1,635,200	$ 1,638,778
Asset Management	3,374	3,392
Total goodwill	$ 1,638,574	$ 1,642,170

The following table is a summary of the changes to goodwill for the nine months ended August 31, 2019 (in thousands):

Balance at November 30, 2018	$ 1,642,170
Translation adjustments	(3,596)
Balance at August 31, 2019	$ 1,638,574

Summary of Intangible Assets

The following tables present the gross carrying amount, changes in carrying amount, net carrying amount and weighted average amortization period of identifiable intangible assets at August 31, 2019 and November 30, 2018 (dollars in thousands):

	August 31, 2019				Weighted average remaining lives (years)
	Gross cost	Impairment losses	Accumulated amortization	Net carrying amount	
Customer relationships	$ 125,066	$ —	$ (64,792)	$ 60,274	10.1
Trade name	127,600	—	(23,697)	103,903	28.5
Exchange and clearing organization membership interests and registrations	8,516	(291)	—	8,225	N/A
Total	$ 261,182	$ (291)	$ (88,489)	$ 172,402	

	November 30, 2018			Weighted average remaining lives (years)
	Gross cost	Accumulated amortization	Net carrying amount	
Customer relationships	$ 125,574	$ (58,892)	$ 66,682	10.6
Trade name	128,348	(21,086)	107,262	29.3
Exchange and clearing organization membership interests and registrations	8,524	—	8,524	N/A
Total	$ 262,446	$ (79,978)	$ 182,468	

Future Amortization Expense Related to Intangible Assets

The estimated future amortization expense for the five succeeding fiscal years is as follows (in thousands):

Remainder of fiscal 2019	$ 3,049
Year ending November 30, 2020	12,198
Year ending November 30, 2021	12,198
Year ending November 30, 2022	9,256
Year ending November 30, 2023	8,268

Collateralized Transactions (Tables)

Banking and Thrift [Abstract]

Schedule of Collateralized Financing Transactions

9 Months Ended Aug. 31, 2019

The following tables set forth the carrying value of securities lending arrangements and repurchase agreements by class of collateral pledged (in thousands):

	August 31, 2019		
	Securities Lending Arrangements	Repurchase Agreements	Total
Collateral Pledged:			
Corporate equity securities	$ 1,952,304	$ 147,845	$ 2,100,149
Corporate debt securities	174,936	1,946,659	2,121,595
Mortgage- and asset-backed securities	—	2,041,563	2,041,563
U.S. government and federal agency securities	55,625	13,423,223	13,478,848
Municipal securities	—	429,925	429,925
Sovereign obligations	—	2,433,727	2,433,727
Loans and other receivables	—	900,140	900,140
Total	$ 2,182,865	$ 21,323,082	$ 23,505,947

	November 30, 2018		
	Securities Lending Arrangements	Repurchase Agreements	Total
Collateral Pledged:			
Corporate equity securities	$ 1,505,218	$ 487,124	$ 1,992,342
Corporate debt securities	333,221	1,853,309	2,186,530
Mortgage- and asset-backed securities	249	2,820,543	2,820,792
U.S. government and federal agency securities	—	8,181,947	8,181,947
Municipal securities	—	604,274	604,274
Sovereign obligations	—	2,945,521	2,945,521
Loans and other receivables	—	300,768	300,768
Total	$ 1,838,688	$ 17,193,486	$ 19,032,174

The following tables set forth the carrying value of securities lending arrangements and repurchase agreements by remaining contractual maturity (in thousands):

	August 31, 2019				
	Overnight and Continuous	Up to 30 Days	31-90 Days	Greater than 90 Days	Total
Securities lending arrangements	$ 1,305,512	$ 70,319	$ 635,864	$ 171,170	$ 2,182,865
Repurchase agreements	9,207,762	2,376,018	3,897,096	5,842,206	21,323,082
Total	$ 10,513,274	$ 2,446,337	$ 4,532,960	$ 6,013,376	$ 23,505,947

	November 30, 2018				
	Overnight and Continuous	Up to 30 Days	31-90 Days	Greater than 90 Days	Total
Securities lending arrangements	$ 807,347	$ —	$ 560,417	$ 470,924	$ 1,838,688
Repurchase agreements	7,849,052	1,915,325	6,042,951	1,386,158	17,193,486
Total	$ 8,656,399	$ 1,915,325	$ 6,603,368	$ 1,857,082	$ 19,032,174

Summary of Repurchase Agreements and Securities Borrowing and Lending Arrangements

The following tables provide information regarding repurchase agreements and securities borrowing and lending arrangements that are recognized in our Consolidated Statements of Financial Condition and 1) the extent to which, under enforceable master netting arrangements, such balances are presented net in our Consolidated Statements of Financial Condition as appropriate under U.S. GAAP and 2) the extent to which other rights of setoff associated with these arrangements exist and could have an effect on our financial position (in thousands).

	August 31, 2019					
	Gross Amounts	Netting in Consolidated Statement of Financial Condition	Net Amounts in Consolidated Statement of Financial Condition	Additional Amounts Available for Setoff (1)	Available Collateral (2)	Net Amount (3)
Assets:						
Securities borrowing arrangements	$7,895,149	$ —	$ 7,895,149	$ (707,436)	$(1,653,688)	$ 5,534,025
Reverse repurchase agreements	17,586,096	(13,086,101)	4,499,995	(454,507)	(3,817,544)	227,944
Liabilities:						
Securities lending arrangements	$2,182,865	$ —	$ 2,182,865	$ (707,436)	$(1,452,911)	$ 22,518
Repurchase agreements	21,323,082	(13,086,101)	8,236,981	(454,507)	(6,269,894)	1,512,580

	November 30, 2018					
	Gross Amounts	Netting in Consolidated Statement of Financial Condition	Net Amounts in Consolidated Statement of Financial Condition	Additional Amounts Available for Setoff (1)	Available Collateral (2)	Net Amount (4)
Assets:						
Securities borrowing arrangements	$6,538,212	$ —	$ 6,538,212	$ (468,778)	$(1,193,986)	$ 4,875,448
Reverse repurchase agreements	11,336,175	(8,550,417)	2,785,758	(609,225)	(2,126,730)	49,803
Liabilities:						
Securities lending arrangements	$1,838,688	$ —	$ 1,838,688	$ (468,778)	$(1,343,704)	$ 26,206
Repurchase agreements	17,193,486	(8,550,417)	8,643,069	(609,225)	(7,070,967)	962,877

(1) Under master netting agreements with our counterparties, we have the legal right of offset with a counterparty, which incorporates all of the counterparty's outstanding rights and obligations under the arrangement. These balances reflect additional credit risk mitigation that is available by a counterparty in the event of a counterparty's default, but which are not netted in the balance sheet because other netting provisions of U.S. GAAP are not met.

(2) Includes securities received or paid under collateral arrangements with counterparties that could be liquidated in the event of a counterparty default and thus offset against a counterparty's rights and obligations under the respective repurchase agreements or securities borrowing or lending arrangements.

(3) Amounts include $5,473.0 million of securities borrowing arrangements, for which we have received securities collateral of $5,322.7 million, and $382.9 million of repurchase agreements, for which we have pledged securities collateral of $392.4 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

(4) Amounts include $4,825.7 million of securities borrowing arrangements, for which we have received securities collateral of $4,711.7 million, and $931.7 million of repurchase agreements, for which we have pledged securities collateral of $963.6 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

Summary of Significant Accounting Policies	9 Months Ended Aug. 31, 2019
Accounting Policies [Abstract]	
Summary of Significant Accounting Policies	Summary of Significant Accounting PoliciesFor a detailed discussion about the Company's significant accounting policies, see Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

Collateralized Transactions

9 Months Ended Aug. 31, 2019

Banking and Thrift [Abstract]

Collateralized Transactions

Collateralized Transactions

We enter into secured borrowing and lending arrangements to obtain collateral necessary to effect settlement, finance inventory positions, meet customer needs or re-lend as part of our dealer operations. We monitor the fair value of the securities loaned and borrowed on a daily basis as compared with the related payable or receivable, and request additional collateral or return excess collateral, as appropriate. We pledge financial instruments as collateral under repurchase agreements, securities lending agreements and other secured arrangements, including clearing arrangements. Our agreements with counterparties generally contain contractual provisions allowing the counterparty the right to sell or repledge the collateral. Pledged securities owned that can be sold or repledged by the counterparty are included in Financial instruments owned, at fair value and noted parenthetically as Securities pledged in our Consolidated Statements of Financial Condition.

The following tables set forth the carrying value of securities lending arrangements and repurchase agreements by class of collateral pledged (in thousands):

	August 31, 2019		
	Securities Lending Arrangements	Repurchase Agreements	Total
Collateral Pledged:			
Corporate equity securities	$ 1,952,304	$ 147,845	$ 2,100,149
Corporate debt securities	174,936	1,946,659	2,121,595
Mortgage- and asset-backed securities	—	2,041,563	2,041,563
U.S. government and federal agency securities	55,625	13,423,223	13,478,848
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Sovereign obligations	—	2,433,727	2,433,727
Loans and other receivables	—	900,140	900,140
Total	$ 2,182,865	$ 21,323,082	$ 23,505,947

	November 30, 2018		
	Securities Lending Arrangements	Repurchase Agreements	Total
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Corporate equity securities	$ 1,505,218	$ 487,124	$ 1,992,342
Corporate debt securities	333,221	1,853,309	2,186,530
Mortgage- and asset-backed securities	249	2,820,543	2,820,792
U.S. government and federal agency securities	—	8,181,947	8,181,947
Municipal securities	—	604,274	604,274
Sovereign obligations	—	2,945,521	2,945,521
Loans and other receivables	—	300,768	300,768
Total	$ 1,838,688	$ 17,193,486	$ 19,032,174

The following tables set forth the carrying value of securities lending arrangements and repurchase agreements by remaining contractual maturity (in thousands):

	August 31, 2019				
	Overnight and Continuous	Up to 30 Days	31-90 Days	Greater than 90 Days	Total
Securities lending arrangements	$ 1,305,512	$ 70,319	$ 635,864	$ 171,170	$ 2,182,865
Repurchase agreements	9,207,762	2,376,018	3,897,096	5,842,206	21,323,082

Total	$ 10,513,274	$ 2,446,337	$ 4,532,960	$ 6,013,376	$ 23,505,947

	November 30, 2018				
	Overnight and Continuous	Up to 30 Days	31-90 Days	Greater than 90 Days	Total
Securities lending arrangements	$ 807,347	$ —	$ 560,417	$ 470,924	$ 1,838,688
Repurchase agreements	7,849,052	1,915,325	6,042,951	1,386,158	17,193,486
Total	$ 8,656,399	$ 1,915,325	$ 6,603,368	$ 1,857,082	$ 19,032,174

We receive securities as collateral under resale agreements, securities borrowing transactions and customer margin loans. We also receive securities as collateral in connection with securities-for-securities transactions in which we are the lender of securities. In many instances, we are permitted by contract to rehypothecate the securities received as collateral. These securities may be used to secure repurchase agreements, enter into securities lending transactions, satisfy margin requirements on derivative transactions or cover short positions. At August 31, 2019 and November 30, 2018, the approximate fair value of securities received as collateral by us that may be sold or repledged was $31.1 billion and $23.1 billion, respectively. At August 31, 2019 and November 30, 2018, a substantial portion of the securities received by us had been sold or repledged.

Offsetting of Securities Financing Agreements

To manage our exposure to credit risk associated with securities financing transactions, we may enter into master netting agreements and collateral arrangements with counterparties. Generally, transactions are executed under standard industry agreements, including, but not limited to, master securities lending agreements (securities lending transactions) and master repurchase agreements (repurchase transactions). See Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 for additional information regarding the offsetting of securities financing agreements.

The following tables provide information regarding repurchase agreements and securities borrowing and lending arrangements that are recognized in our Consolidated Statements of Financial Condition and 1) the extent to which, under enforceable master netting arrangements, such balances are presented net in our Consolidated Statements of Financial Condition as appropriate under U.S. GAAP and 2) the extent to which other rights of setoff associated with these arrangements exist and could have an effect on our financial position (in thousands).

	August 31, 2019					
	Gross Amounts	Netting in Consolidated Statement of Financial Condition	Net Amounts in Consolidated Statement of Financial Condition	Additional Amounts Available for Setoff (1)	Available Collateral (2)	Net Amount (3)
Assets:						
Securities borrowing arrangements	$7,895,149	$ —	$ 7,895,149	$ (707,436)	$(1,653,688)	$ 5,534,025
Reverse repurchase agreements	17,586,096	(13,086,101)	4,499,995	(454,507)	(3,817,544)	227,944
Liabilities:						
Securities lending arrangements	$2,182,865	$ —	$ 2,182,865	$ (707,436)	$(1,452,911)	$ 22,518
Repurchase agreements	21,323,082	(13,086,101)	8,236,981	(454,507)	(6,269,894)	1,512,580

	November 30, 2018					
	Gross Amounts	Netting in Consolidated Statement of Financial Condition	Net Amounts in Consolidated Statement of Financial Condition	Additional Amounts Available for Setoff (1)	Available Collateral (2)	Net Amount (4)
Assets:						

Securities borrowing arrangements	$6,538,212	$ —	$ 6,538,212	$ (468,778)	$(1,193,986)	$ 4,875,448
Reverse repurchase agreements	11,336,175	(8,550,417)	2,785,758	(609,225)	(2,126,730)	49,803
Liabilities:						
Securities lending arrangements	$1,838,688	$ —	$ 1,838,688	$ (468,778)	$(1,343,704)	$ 26,206
Repurchase agreements	17,193,486	(8,550,417)	8,643,069	(609,225)	(7,070,967)	962,877

(1) Under master netting agreements with our counterparties, we have the legal right of offset with a counterparty, which incorporates all of the counterparty's outstanding rights and obligations under the arrangement. These balances reflect additional credit risk mitigation that is available by a counterparty in the event of a counterparty's default, but which are not netted in the balance sheet because other netting provisions of U.S. GAAP are not met.

(2) Includes securities received or paid under collateral arrangements with counterparties that could be liquidated in the event of a counterparty default and thus offset against a counterparty's rights and obligations under the respective repurchase agreements or securities borrowing or lending arrangements.

(3) Amounts include $5,473.0 million of securities borrowing arrangements, for which we have received securities collateral of $5,322.7 million, and $382.9 million of repurchase agreements, for which we have pledged securities collateral of $392.4 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

(4) Amounts include $4,825.7 million of securities borrowing arrangements, for which we have received securities collateral of $4,711.7 million, and $931.7 million of repurchase agreements, for which we have pledged securities collateral of $963.6 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

Cash and Securities Segregated and on Deposit for Regulatory Purposes or Deposited with Clearing and Depository Organizations

Cash and securities deposited with clearing and depository organizations and segregated in accordance with regulatory regulations totaled $658.3 million and $708.0 million at August 31, 2019 and November 30, 2018, respectively. Segregated cash and securities consist of deposits in accordance with Rule 15c3-3 of the Securities Exchange Act of 1934, which subjects Jefferies LLC as a broker-dealer carrying customer accounts to requirements related to maintaining cash or qualified securities in segregated special reserve bank accounts for the exclusive benefit of its customers.

Goodwill and Intangible Assets

Goodwill and Intangible Assets Disclosure [Abstract]

Goodwill and Intangible Assets

9 Months Ended Aug. 31, 2019

Goodwill and Intangible Assets

Goodwill

Goodwill attributed to our reportable business segments are as follows (in thousands):

	August 31, 2019	November 30, 2018
Capital Markets	$ 1,635,200	$ 1,638,778
Asset Management	3,374	3,392
Total goodwill	$ 1,638,574	$ 1,642,170

The following table is a summary of the changes to goodwill for the nine months ended August 31, 2019 (in thousands):

Balance at November 30, 2018	$ 1,642,170
Translation adjustments	(3,596)
Balance at August 31, 2019	$ 1,638,574

Goodwill Impairment Testing

A reporting unit is an operating segment or one level below an operating segment. The quantitative goodwill impairment test is performed at the level of the reporting unit and consists of two steps. In the first step, the fair value of each reporting unit is compared with its carrying value, including goodwill and allocated intangible assets. If the fair value is in excess of the carrying value, the goodwill for the reporting unit is considered not to be impaired. If the fair value is less than the carrying value, then a second step is performed in order to measure the amount of the impairment loss, if any, which is based on comparing the implied fair value of the reporting unit's goodwill to the carrying value of the reporting unit's goodwill.

Allocated tangible equity plus allocated goodwill and intangible assets are used for the carrying amount of each reporting unit. The amount of tangible equity allocated to a reporting unit is based on our cash capital model deployed in managing our businesses, which seeks to approximate the capital a business would require if it were operating independently. Intangible assets are allocated to a reporting unit based on either specifically identifying a particular intangible asset as pertaining to a reporting unit or, if shared among reporting units, based on an assessment of the reporting unit's benefit from the intangible asset in order to generate results.

Estimating the fair value of a reporting unit requires management judgment. Estimated fair values for our reporting units were determined using a market valuation method that incorporates price-to-earnings and price-to-book multiples of comparable public companies. In addition, as the fair values determined under the market approach represent a noncontrolling interest, we applied a control premium to arrive at the estimated fair value of each reporting unit on a controlling basis. We engaged an independent valuation specialist to assist us in our valuation process at August 1, 2019.

Our annual goodwill impairment testing at August 1, 2019 did not indicate any goodwill impairment in any of our reporting units. Substantially all of our goodwill is allocated to our Investment Banking, Equities and Fixed Income reporting units, which are part of our Capital Markets reportable business segment, for which the results of our assessment indicated that these reporting units had a fair value in excess of their carrying amounts based on current projections. At August 31, 2019, goodwill allocated to these reporting units is $1,635.2 million of total goodwill of $1,638.6 million.

Intangible Assets

Intangible assets are included in Other assets in our Consolidated Statements of Financial Condition. The following tables present the gross carrying amount, changes in carrying amount, net carrying amount and

weighted average amortization period of identifiable intangible assets at August 31, 2019 and November 30, 2018 (dollars in thousands):

	August 31, 2019				Weighted average remaining lives (years)
	Gross cost	Impairment losses	Accumulated amortization	Net carrying amount	
Customer relationships	$ 125,066	$ —	$ (64,792)	$ 60,274	10.1
Trade name	127,600	—	(23,697)	103,903	28.5
Exchange and clearing organization membership interests and registrations	8,516	(291)	—	8,225	N/A
Total	$ 261,182	$ (291)	$ (88,489)	$ 172,402	

	November 30, 2018			Weighted average remaining lives (years)
	Gross cost	Accumulated amortization	Net carrying amount	
Customer relationships	$ 125,574	$ (58,892)	$ 66,682	10.6
Trade name	128,348	(21,086)	107,262	29.3
Exchange and clearing organization membership interests and registrations	8,524	—	8,524	N/A
Total	$ 262,446	$ (79,978)	$ 182,468	

We performed our annual impairment testing of intangible assets with an indefinite useful life, which consists of exchange and clearing organization membership interests and registrations, at August 1, 2019. We elected to perform a quantitative assessment of membership interests and registrations that have available quoted sales prices as well as certain other membership interests and registrations that have declined in utilization. A qualitative assessment was performed on the remainder of our indefinite-life intangible assets. In applying our quantitative assessment at August 1, 2019, we recognized an impairment loss of $291,000 on certain exchange membership interests and registrations. With regard to our qualitative assessment of the remaining indefinite-life intangible assets, based on our assessment of market conditions, the utilization of the assets and the replacement costs associated with the assets, we have concluded that it is not more likely than not that the intangible assets are impaired.

Amortization Expense

For finite life intangible assets, aggregate amortization expense amounted to $3.0 million and $9.0 million for the three and nine months ended August 31, 2019 and 2018, respectively. These expenses are included in Other expenses in our Consolidated Statements of Earnings.

The estimated future amortization expense for the five succeeding fiscal years is as follows (in thousands):

Remainder of fiscal 2019	$ 3,049
Year ending November 30, 2020	12,198
Year ending November 30, 2021	12,198
Year ending November 30, 2022	9,256
Year ending November 30, 2023	8,268

Compensation Plans - Remaining Unamortized Amounts (Details) $ in Millions	9 Months Ended Aug. 31, 2019 USD ($)
Compensation Plans [Line Items]	
Remaining Unamortized Amounts	$ 551.8
Non-vested share-based awards	
Compensation Plans [Line Items]	
Remaining Unamortized Amounts	$ 53.7
Weighted Average Vesting Period (in Years)	3 years
Restricted cash awards	
Compensation Plans [Line Items]	
Remaining Unamortized Amounts	$ 498.1
Weighted Average Vesting Period (in Years)	3 years

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED) (Parenthetical) - USD ($) $ in Thousands		3 Months Ended		9 Months Ended	
		Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Currency translation and other adjustments	[1]	$ (28,023)	$ (26,050)	$ (34,208)	$ (71,219)
Adjustment related to foreign currency gains reclassified to earnings					20,500
Changes in instrument specific credit risk, tax expense		2,000	300	9,000	11,000
Changes in instrument specific credit risk reclassified to earnings			100	500	400
Changes in instrument specific credit risk reclassified to earnings, tax			100	200	100
Cash flow hedge losses reclassification amount				500	
Cash flow hedges, tax expense (benefit)				(200)	700
Unrealized gain on available-for-sale securities, tax expense				200	
German Plan | Pension Plan					
Currency translation and other adjustments	[1]				5,300
Currency translation and other adjustments					
Impact of certain discrete items related to non-U.S. subsidiaries planning for the Tax Act		$ 8,900	$ 2,800	$ 10,600	2,800
Reclassification amount related to the Tax Cuts and Jobs Act	[1]				(800)
Changes in instrument specific credit risk					
Reclassification amount related to the Tax Cuts and Jobs Act					(6,500)
Cash flow hedges					
Reclassification amount related to the Tax Cuts and Jobs Act	[2]				$ (200)

[1] The amounts during the three and nine months ended August 31, 2019 include income tax benefits of $8.9 million and $10.6 million respectively, compared with $2.8 million in both the three and nine months ended August 31, 2018, related to the impact of certain discrete items related to tax planning for our non-U.S. subsidiaries in connection with the Tax Cuts and Jobs Act (the “Tax Act”). The amount during the nine months ended August 31, 2018 includes $5.3 million related to the transfer of the German Pension Plan, which was reclassified to Compensation and benefits expenses within the Consolidated Statements of Earnings and ($0.8) million related to the Tax Act, which was reclassified to Member’s paid-in capital and a gain of $20.5 million related to foreign currency gains, which was reclassified to Other revenues within the Consolidated Statements of Earnings.

[2] The amount during the nine months ended August 31, 2019 includes income tax benefits of $0.2 million. The cash flow hedge loss of $0.5 million during the nine months ended August 31, 2019 was reclassified to Other revenues within the Consolidated Statement of Earnings due to the sale of all of our common shares of Epic Gas Ltd. (“Epic Gas”). Refer to Note 9, Investments for further information. The amount during the nine months ended August 31, 2018 includes income tax expenses of $0.7 million. The amount during the nine months ended August 31, 2018 also includes ($0.2) million related to the Tax Act, which was reclassified to Member’s paid-in capital.

Goodwill and Intangible Assets Goodwill and Intangible Assets - Goodwill Impairment Testing (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Goodwill [Line Items]		
Goodwill	$ 1,638,574	$ 1,642,170
Capital Markets:		
Goodwill [Line Items]		
Goodwill	$ 1,635,200	$ 1,638,778

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
ASSETS		
Cash and cash equivalents ($1,151 and $1,096 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	$ 4,665,490	$ 5,145,886
Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations	658,335	707,960
Financial instruments owned, at fair value (including securities pledged of $12,087,982 and $13,059,802 at August 31, 2019 and November 30, 2018, respectively; and $339 and $380 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	16,370,912	16,399,526
Loans to and investments in related parties	943,174	997,524
Securities borrowed	7,895,149	6,538,212
Securities purchased under agreements to resell (includes $25,000 and $0 at fair value at August 31, 2019 and November 30, 2018, respectively)	4,499,995	2,785,758
Receivables:		
Brokers, dealers and clearing organizations	2,927,789	3,218,984
Customers	1,686,214	2,017,090
Fees, interest and other	350,663	327,083
Premises and equipment	323,510	304,026
Goodwill	1,638,574	1,642,170
Other assets ($2 at both August 31, 2019 and November 30, 2018, related to consolidated VIEs)	1,133,783	1,084,554
Total assets	43,093,588	41,168,773
LIABILITIES AND EQUITY		
Short-term borrowings	518,914	387,492
Financial instruments sold, not yet purchased, at fair value	10,296,315	9,478,944
Collateralized financings:		
Securities loaned	2,182,865	1,838,688
Securities sold under agreements to repurchase	8,236,981	8,643,069
Other secured financings (includes $1,820,800 and $881,472 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	1,821,425	881,472
Payables:		
Brokers, dealers and clearing organizations	2,253,033	2,448,059
Customers	3,599,564	3,176,727
Accrued expenses and other liabilities ($1,306 and $642 at August 31, 2019 and November 30, 2018, respectively, related to consolidated VIEs)	1,227,798	1,585,635
Long-term debt (includes $1,014,509 and $686,170 at fair value at August 31, 2019 and November 30, 2018, respectively)	6,767,163	6,546,283
Total liabilities	36,904,058	34,986,369
EQUITY		
Member’s paid-in capital	6,387,097	6,376,662
Accumulated other comprehensive income (loss):		
Currency translation adjustments	(220,080)	(185,804)
Changes in instrument specific credit risk	20,805	(5,728)
Cash flow hedges	0	470

Additional minimum pension liability	(4,693)	(4,761)
Available-for-sale securities	231	(346)
Total accumulated other comprehensive loss	(203,737)	(196,169)
Total Jefferies Group LLC member's equity	6,183,360	6,180,493
Noncontrolling interests	6,170	1,911
Total equity	6,189,530	6,182,404
Total liabilities and equity	$ 43,093,588	$ 41,168,773

Investments - JCP Fund V - Narrative (Details) - USD ($) $ in Thousands	9 Months Ended	
	Aug. 31, 2019	Nov. 30, 2018
Schedule of Equity Method Investments [Line Items]		
Financial instruments owned, at fair value	$ 16,370,912	$ 16,399,526
JCP Fund V		
Schedule of Equity Method Investments [Line Items]		
Financial instruments owned, at fair value	26,000	31,900
Equity investments	85,000	85,000
Unfunded portion of equity commitment to subsidiary	$ 9,400	$ 9,700
Percent of financial information presented	100.00%	
Ownership percentage	35.20%	

Revenues from Contracts with Customers - Components of Revenue (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	$ 586,876	$ 633,210	$ 1,636,618	$ 1,903,938
Principal transactions	148,873	143,308	632,002	498,583
Interest	383,596	305,347	1,163,022	870,490
Other	22,286	6,420	79,354	58,678
Total revenues	1,141,631	1,088,285	3,510,996	3,331,689
Commissions and other fees				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	171,003	162,700	493,843	482,194
Investment banking				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	412,533	465,326	1,128,216	1,405,614
Asset management fees				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	$ 3,340	$ 5,184	$ 14,559	$ 16,130

Goodwill and Intangible Assets - Amortization Expense (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Goodwill and Intangible Assets Disclosure [Abstract]				
Aggregate amortization expense	$ 3,000	$ 3,000	$ 9,000	$ 9,000
Estimated future amortization expense				
Remainder of fiscal 2019	3,049		3,049	
Year ending November 30, 2020	12,198		12,198	
Year ending November 30, 2021	12,198		12,198	
Year ending November 30, 2022	9,256		9,256	
Year ending November 30, 2023	$ 8,268		$ 8,268	

Investments - Jefferies Finance - Narrative (Details) - USD ($)	May 15, 2019	3 Months Ended		9 Months Ended		Mar. 28, 2019	Nov. 30, 2018
		Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018		
Guarantee Obligations [Line Items]							
Financial instruments sold, not yet purchased, at fair value		$ 10,296,315,000		$ 10,296,315,000			$ 9,478,944,000
Payables-brokers, dealers and clearing organizations		2,253,033,000		2,253,033,000			2,448,059,000
Interest expense		364,472,000	$ 310,670,000	1,146,268,000	$ 910,271,000		
Jefferies Finance, LLC							
Guarantee Obligations [Line Items]							
Equity commitment		750,000,000.0		750,000,000.0			
Total committed equity capitalization of JFIN		1,500,000,000		1,500,000,000			
Funded portion of equity commitment to subsidiary		643,700,000		643,700,000			
Unfunded portion of equity commitment to subsidiary		106,300,000		$ 106,300,000			
Extension period				1 year			
Termination notice period				60 days			
Funded portion of loan commitment		0.0		$ 0.0			
Loan commitment		250,000,000.0		250,000,000.0			
Financial instruments sold, not yet purchased, at fair value		2,100,000		2,100,000			400,000
Payables-brokers, dealers and clearing organizations							200,000
Jefferies Finance, LLC | Corporate debt securities							
Guarantee Obligations [Line Items]							
Committed line of credit facility amount		500,000,000.0		500,000,000.0			
Jefferies Finance, LLC | Other Assets							
Guarantee Obligations [Line Items]							
Receivables under service agreement		12,900,000		12,900,000			35,200,000
Jefferies Finance, LLC | Accrued expense and other liabilities							
Guarantee Obligations [Line Items]							
Payables under service agreement		$ 13,700,000		$ 13,700,000			$ 14,100,000
Promissory Note							
Guarantee Obligations [Line Items]							
Debt principal amount						$ 1,000,000,000.0	

Interest expense	$ 3,800,000

Fair Value Disclosures - Summary of Amount by Which Contractual Principal Exceeds Fair Value for Loans and Other Receivables Measured at Fair Value under Fair Value Option (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Financial instruments owned:		
Loans and other receivables	$ 1,356,508	$ 961,554
Loans and other receivables on nonaccrual status and/or 90 days or greater past due	139,795	158,392
Long-term debt	59,370	114,669
Loans and other receivables 90 days or greater past due	$ 20,900	$ 20,500

Derivative Financial Instruments - Counterparty Credit Quality with Respect to Fair Value of OTC Derivatives Assets (Details) $ in Thousands	Aug. 31, 2019 USD ($)
Derivative Instruments and Hedging Activities Disclosure [Abstract]	
A- or higher	$ 146,495
BBB- to BBB	42,072
BB or lower	275,252
Unrated	204,913
Total OTC derivative assets included in Financial instruments owned	$ 668,732

Collateralized Transactions - Contractual Maturity (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	$ 2,182,865	$ 1,838,688
Repurchase Agreements	21,323,082	17,193,486
Total	23,505,947	19,032,174
Overnight and Continuous		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	1,305,512	807,347
Repurchase Agreements	9,207,762	7,849,052
Total	10,513,274	8,656,399
Up to 30 Days		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	70,319	0
Repurchase Agreements	2,376,018	1,915,325
Total	2,446,337	1,915,325
31-90 Days		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	635,864	560,417
Repurchase Agreements	3,897,096	6,042,951
Total	4,532,960	6,603,368
Greater than 90 Days		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	171,170	470,924
Repurchase Agreements	5,842,206	1,386,158
Total	$ 6,013,376	$ 1,857,082

Commitments, Contingencies and Guarantees - Additional Information (Details) $ in Millions	9 Months Ended Aug. 31, 2019 USD ($)
Loss Contingencies [Line Items]	
Loan commitments outstanding to clients	$ 66.1
Fair value of derivative contracts approximated deemed to meet the definition of a guarantee	239.0
Standby Letters of Credit	
Loss Contingencies [Line Items]	
Letters of credit commitments	36.9
Jefferies Capital Partners LLC	
Loss Contingencies [Line Items]	
Outstanding equity commitments	17.7
Other Investments	
Loss Contingencies [Line Items]	
Outstanding equity commitments	$ 11.0
Maximum | Standby Letters of Credit	
Loss Contingencies [Line Items]	
Standby letters of credit expiration period	1 year

Segment Reporting - Net Revenues, Expenses and Total Assets by Segment (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended		
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Nov. 30, 2018
Revenues from External Customers and Long-Lived Assets [Line Items]					
Net revenues	$ 777,159	$ 777,615	$ 2,364,728	$ 2,421,418	
Non-interest expenses	694,084	690,514	2,063,930	2,089,714	
Earnings before income taxes	83,075	87,101	300,798	331,704	
Segment assets	43,093,588		43,093,588		$ 41,168,773
Capital Markets:					
Revenues from External Customers and Long-Lived Assets [Line Items]					
Net revenues	757,400	767,000	2,274,900	2,389,000	
Non-interest expenses	671,200	678,600	1,991,000	2,048,800	
Earnings before income taxes	86,200	88,400	283,900	340,200	
Segment assets	39,945,600		39,945,600		38,700,700
Asset Management:					
Revenues from External Customers and Long-Lived Assets [Line Items]					
Net revenues	19,800	10,600	89,800	32,400	
Non-interest expenses	22,900	11,900	72,900	40,900	
Earnings before income taxes	(3,100)	$ (1,300)	16,900	$ (8,500)	
Segment assets	$ 3,148,000		$ 3,148,000		$ 2,468,100

Securitization Activities - Summary of Retained Interests in SPEs (Details) - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Debt and Equity Securities, FV-NI [Line Items]		
Total RMBS securitization assets	$ 11,351.8	$ 13,633.5
Total CMBS securitization assets	1,374.9	2,027.6
Total Collateralized loan obligations	3,430.0	3,512.0
Consumer and other loans	975.0	604.1
U.S. government agency RMBS		
Debt and Equity Securities, FV-NI [Line Items]		
Retained Interests	123.8	365.3
U.S. government agency CMBS		
Debt and Equity Securities, FV-NI [Line Items]		
Retained Interests	48.4	185.6
CLOs		
Debt and Equity Securities, FV-NI [Line Items]		
Retained Interests	29.8	20.9
Consumer and other loans		
Debt and Equity Securities, FV-NI [Line Items]		
Retained Interests	$ 56.8	$ 48.9

Investments - Narrative (Details)	Aug. 31, 2019
Jefferies Capital Partners V L.P.	
Schedule of Equity Method Investments [Line Items]	
Ownership percentage	11.00%
SBI USA Fund L.P.	
Schedule of Equity Method Investments [Line Items]	
Ownership percentage	50.00%

Related Party Transactions - HRG Group Inc. (Details) - USD ($) $ in Millions	3 Months Ended	9 Months Ended
	Aug. 31, 2018	Aug. 31, 2018
HRG Group Inc. | Affiliated Entity		
Related Party Transaction [Line Items]		
Revenue from related parties	$ 3.0	$ 3.0

Organization and Basis of Presentation (Details) $ in Thousands		3 Months Ended		9 Months Ended	
	Oct. 01, 2018 USD ($)	Aug. 31, 2019 USD ($)	Aug. 31, 2018 USD ($)	Aug. 31, 2019 USD ($) segment	Aug. 31, 2018 USD ($)
Debt Instrument [Line Items]					
Number of reportable segments | segment				2	
Increase of commissions and other fee		$ 586,876	$ 633,210	$ 1,636,618	$ 1,903,938
Reduce of other revenues		22,286	6,420	79,354	58,678
Commissions and Other Fees					
Debt Instrument [Line Items]					
Increase of commissions and other fee		$ 171,003	162,700	$ 493,843	482,194
Reclassified Presentation of Certain Other Fees | Commissions and Other Fees					
Debt Instrument [Line Items]					
Increase of commissions and other fee			7,200		20,600
Reduce of other revenues			$ (7,200)		$ (20,600)
Affiliated Entity | Jefferies					
Debt Instrument [Line Items]					
Proceeds from contributions from parent	$ 598,200				
Payment made in related party transaction	76,000				
Related party transaction, related deferred tax liabilities transferred	$ 50,900				
Berkadia Commercial Mortgage, LLC					
Debt Instrument [Line Items]					
Ownership percentage	50.00%				

Commitments, Contingencies and Guarantees (Tables)

9 Months Ended Aug. 31, 2019

Commitments and Contingencies Disclosure [Abstract]

Commitments and Contingencies

The following table summarizes our commitments at August 31, 2019 (in millions):

	Expected Maturity Date (fiscal years)					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Maximum Payout
Equity commitments (1)	$ —	$ 123.5	$ —	$ —	$ 11.5	$ 135.0
Loan commitments (1)	—	250.0	54.1	12.0	—	316.1
Underwriting commitments	31.5	—	—	—	—	31.5
Forward starting reverse repos (2)	2,994.6	—	—	—	—	2,994.6
Forward starting repos (2)	4,082.9	—	—	—	—	4,082.9
Other unfunded commitments (1)	80.0	—	143.7	—	4.9	228.6
Total commitments	$7,189.0	$ 373.5	$ 197.8	$ 12.0	$ 16.4	$ 7,788.7

(1) Equity, loan and other unfunded commitments are presented by contractual maturity date. The amounts, however, are available on demand.

(2) $2,991.6 million within forward starting securities purchased under agreements to resell and all of the securities sold under agreements to repurchase at August 31, 2019 settled within three business days.

Guarantees

The following table summarizes the notional amounts associated with our derivative contracts meeting the definition of a guarantee under U.S. GAAP at August 31, 2019 (in millions):

	Expected Maturity Date (Fiscal Years)					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Notional/ Maximum Payout
Guarantee Type:						
Derivative contracts—non-credit related	$7,075.0	$4,115.5	$4,627.6	$3,612.0	$ 320.6	$ 19,750.7
Written derivative contracts—credit related	—	32.9	—	39.2	—	72.1
Total derivative contracts	$7,075.0	$4,148.4	$4,627.6	$3,651.2	$ 320.6	$ 19,822.8

Compensation Plans	9 Months Ended Aug. 31, 2019
Compensation Related Costs [Abstract]	
Compensation Plans	

Compensation Plans

Jefferies sponsors our following share-based compensation plans: Incentive Compensation Plan, Employee Stock Purchase Plan and the Deferred Compensation Plan. The outstanding and future share-based awards relating to these plans relate to Jefferies common shares. The fair value of share-based awards is estimated on the date of grant based on the market price of the underlying common stock less the impact of market conditions and selling restrictions subsequent to vesting, if any, and is amortized as compensation expense over the related requisite service periods. We are allocated costs associated with awards granted to our employees under such plans.

In addition, we sponsor non-share-based compensation plans. Non-share-based compensation plans sponsored by us include a profit sharing plan and other forms of restricted cash awards.

The components of total compensation cost associated with certain of our compensation plans are as follows (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Components of compensation cost:				
Restricted cash awards	$ 72.3	$ 60.0	$ 205.1	$ 183.6
Restricted stock and RSUs (1)	6.6	7.1	19.6	21.1
Profit sharing plan	1.2	1.1	6.4	5.6
Total compensation cost	$ 80.1	$ 68.2	$ 231.1	$ 210.3

(1) Total compensation cost associated with restricted stock and restricted stock units ("RSUs") includes the amortization of sign-on, retention and senior executive awards, less forfeitures and clawbacks.

Remaining unamortized amounts related to certain compensation plans at August 31, 2019 are as follows (dollars in millions):

	Remaining Unamortized Amounts	Weighted Average Vesting Period (in Years)
Non-vested share-based awards	$ 53.7	3
Restricted cash awards	498.1	3
Total	$ 551.8	

For detailed descriptions on the Company's compensation plans, see Note 15, Compensation Plans, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

Segment Reporting	9 Months Ended Aug. 31, 2019
Segment Reporting [Abstract]	
Segment Reporting	Segment Reporting

We operate in two reportable business segments – Capital Markets and Asset Management. The Capital Markets reportable business segment includes our securities, commodities, futures and foreign exchange trading activities and investment banking business, which is composed of underwriting and financial advisory activities. The Capital Markets reportable business segment provides the sales, trading, origination and advisory effort for various fixed income, equity and advisory products and services. The Asset Management reportable business segment provides investment management services to investors in the U.S. and overseas and invests capital in hedge funds, separately managed accounts and third-party asset managers.

Our reportable business segment information is prepared using the following methodologies:

- Net revenues and non-interest expenses directly associated with each reportable business segment are included in determining earnings (loss) before income taxes.
- Net revenues and non-interest expenses not directly associated with specific reportable business segments are allocated based on the most relevant measures applicable, including each reportable business segment's net revenues, headcount and other factors.
- Reportable business segment assets include an allocation of indirect corporate assets that have been fully allocated to our reportable business segments, generally based on each reportable business segment's capital utilization.

In the fourth quarter of 2018, Jefferies transferred to us investments in certain separately managed accounts and funds. Due to this transfer, we have made changes to the presentation of our segment reporting in the fourth quarter of 2018 and are including investment income from our investments in these separately managed accounts and funds within our Asset Management business segment. Previously reported results are presented on a comparable basis. See Note 1, Organization and Basis of Presentation for further details on this transfer.

Our net revenues, non-interest expenses and earnings (loss) before income taxes by reportable business segment are summarized below (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Capital Markets:				
Net revenues	$ 757.4	$ 767.0	$ 2,274.9	$ 2,389.0
Non-interest expenses	671.2	678.6	1,991.0	2,048.8
Earnings before income taxes	$ 86.2	$ 88.4	$ 283.9	$ 340.2
Asset Management:				
Net revenues	$ 19.8	$ 10.6	$ 89.8	$ 32.4
Non-interest expenses	22.9	11.9	72.9	40.9
Earnings (loss) before income taxes	$ (3.1)	$ (1.3)	$ 16.9	$ (8.5)
Total:				
Net revenues	$ 777.2	$ 777.6	$ 2,364.7	$ 2,421.4
Non-interest expenses	694.1	690.5	2,063.9	2,089.7
Earnings before income taxes	$ 83.1	$ 87.1	$ 300.8	$ 331.7

The following table summarizes our total assets by reportable business segment (in millions):

	August 31, 2019	November 30, 2018
Capital Markets	$ 39,945.6	$ 38,700.7
Asset Management	3,148.0	2,468.1

Total assets	$ 43,093.6	$ 41,168.8

Net Revenues by Geographic Region

Net revenues for the Capital Market reportable business segment are recorded in the geographic region in which the position was risk-managed or, in the case of investment banking, in which the senior coverage banker is located. For the Asset Management reportable business segment, net revenues are allocated according to the location of the investment advisor. Net revenues by geographic region were as follows (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Americas (1)	$ 613.4	$ 639.7	$ 1,871.3	$ 2,042.4
Europe (2)	136.9	115.9	413.6	313.4
Asia	26.9	22.0	79.8	65.6
Net revenues	$ 777.2	$ 777.6	$ 2,364.7	$ 2,421.4

(1) Substantially all relates to U.S. results.

(2) Substantially all relates to U.K. results.

Variable Interest Entities - Additional Information (Details) - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Related party private equity vehicles | JCP Entities		
Variable Interest Entity [Line Items]		
Equity investments	$ 139.3	$ 139.3
Funded equity commitments	121.7	121.3
Carrying amount of equity investment	28.7	35.5
Other investment vehicles		
Variable Interest Entity [Line Items]		
Equity investments	400.2	112.2
Funded equity commitments	389.2	108.1
Carrying amount of equity investment	399.1	95.0
Agency mortgage-backed securities		
Variable Interest Entity [Line Items]		
Carrying amount	1,712.9	2,913.0
Non-agency mortgage and other asset-backed securities		
Variable Interest Entity [Line Items]		
Carrying amount	$ 191.2	$ 170.5

Related Party Transactions - Jefferies (Details) - USD ($)	1 Months Ended	3 Months Ended		9 Months Ended			
	Dec. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Jan. 29, 2019	Nov. 30, 2018
Related Party Transaction [Line Items]							
Payables-brokers, dealers and clearing organizations		$ 2,253,033,000		$ 2,253,033,000			$ 2,448,059,000
Financial instruments owned, at fair value		16,370,912,000		16,370,912,000			16,399,526,000
Financial instruments sold, not yet purchased, at fair value		10,296,315,000		10,296,315,000			9,478,944,000
Jefferies | Affiliated Entity							
Related Party Transaction [Line Items]							
Charges to Jefferies for services provided		9,800,000	$ 15,800,000	36,100,000	$ 46,100,000		
Charges from Jefferies for services received		6,400,000	2,200,000	7,800,000	6,900,000		
Receivable from Jefferies		2,100,000		2,100,000			1,200,000
Payable to Jefferies		8,700,000		8,700,000			2,900,000
Payments of distributions to affiliates				108,700,000			
Distribution to affiliates, approved amount						$ 100,000,000.0	
Distribution payable accrued during period		32,500,000					
Net current tax receivable		5,600,000		5,600,000			
Net current tax payable							34,100,000
Payment made to related party related to tax sharing agreement	$ 35,000,000.0						
Proceeds from sale of securities		22,900,000		40,800,000			
Payments to acquire securities				885,600,000			
Net gain (loss) on investments				0			
Payables-brokers, dealers and clearing organizations		22,700,000		22,700,000			9,900,000
Financial instruments sold, not yet purchased, at fair value		200,000		200,000			
Jefferies | Affiliated Entity | Investment banking							
Related Party Transaction [Line Items]							
Charges to Jefferies for services provided		2,400,000	5,600,000	10,300,000	5,600,000		
Jefferies | Affiliated Entity | Commissions and other fees							
Related Party Transaction [Line Items]							
Charges to Jefferies for services provided		0	100,000	300,000	500,000		
Jefferies | Affiliated Entity | Principal transactions							
Related Party Transaction							

[Line Items]					
Charges to Jefferies for services provided	0	0	0	100,000	
Jefferies | Affiliated Entity | Other revenues					
Related Party Transaction [Line Items]					
Charges to Jefferies for services provided	1,100,000	300,000	2,000,000.0	700,000	
Hedge Fund Managed By Jefferies | Affiliated Entity					
Related Party Transaction [Line Items]					
Net gain (loss) on investments	1,000,000.0	$ 500,000	3,300,000	$ 5,000,000.0	
Investment in related party	222,100,000		222,100,000		218,700,000
Corporate debt securities					
Related Party Transaction [Line Items]					
Financial instruments sold, not yet purchased, at fair value	1,804,868,000		1,804,868,000		1,506,140,000
Corporate debt securities | Jefferies | Affiliated Entity					
Related Party Transaction [Line Items]					
Financial instruments owned, at fair value	3,100,000		3,100,000		300,000
Director | Affiliated Entity					
Related Party Transaction [Line Items]					
Investment in related party	3,600,000		3,600,000		4,600,000
Director | Hedge Fund Managed By Jefferies | Affiliated Entity					
Related Party Transaction [Line Items]					
Investment in related party	$ 2,500,000		$ 2,500,000		$ 2,700,000

Collateralized Transactions - Collateral Pledged (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	$ 2,182,865	$ 1,838,688
Repurchase Agreements	21,323,082	17,193,486
Total	23,505,947	19,032,174
Corporate equity securities		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	1,952,304	1,505,218
Repurchase Agreements	147,845	487,124
Total	2,100,149	1,992,342
Corporate debt securities		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	174,936	333,221
Repurchase Agreements	1,946,659	1,853,309
Total	2,121,595	2,186,530
Mortgage- and asset-backed securities		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	0	249
Repurchase Agreements	2,041,563	2,820,543
Total	2,041,563	2,820,792
U.S. government and federal agency securities		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	55,625	0
Repurchase Agreements	13,423,223	8,181,947
Total	13,478,848	8,181,947
Municipal securities		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	0	0
Repurchase Agreements	429,925	604,274
Total	429,925	604,274
Sovereign obligations		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line Items]		
Securities Lending Arrangements	0	0
Repurchase Agreements	2,433,727	2,945,521
Total	2,433,727	2,945,521
Loans and other receivables		
Transfer Of Certain Financial Assets Accounted For As Secured Borrowings [Line		

Items]

Securities Lending Arrangements	0	0
Repurchase Agreements	900,140	300,768
Total	$ 900,140	$ 300,768

Commitments, Contingencies and Guarantees - Commitments (Details) $ in Millions	Aug. 31, 2019 USD ($)
Commitments and Guarantees Obligations [Line Items]	
2019	$ 7,189.0
2020	373.5
2021 and 2022	197.8
2023 and 2024	12.0
2025 and Later	16.4
Maximum Payout	7,788.7
Equity commitments	
Commitments and Guarantees Obligations [Line Items]	
2019	0.0
2020	123.5
2021 and 2022	0.0
2023 and 2024	0.0
2025 and Later	11.5
Maximum Payout	135.0
Loan commitments	
Commitments and Guarantees Obligations [Line Items]	
2019	0.0
2020	250.0
2021 and 2022	54.1
2023 and 2024	12.0
2025 and Later	0.0
Maximum Payout	316.1
Underwriting commitments	
Commitments and Guarantees Obligations [Line Items]	
2019	31.5
2020	0.0
2021 and 2022	0.0
2023 and 2024	0.0
2025 and Later	0.0
Maximum Payout	31.5
Forward starting reverse repos	
Commitments and Guarantees Obligations [Line Items]	
2019	2,994.6
2020	0.0
2021 and 2022	0.0
2023 and 2024	0.0
2025 and Later	0.0
Maximum Payout	2,994.6
Forward starting repos	
Commitments and Guarantees Obligations [Line Items]	
2019	4,082.9

2020	0.0
2021 and 2022	0.0
2023 and 2024	0.0
2025 and Later	0.0
Maximum Payout	4,082.9
Other unfunded commitments	
Commitments and Guarantees Obligations [Line Items]	
2019	80.0
2020	0.0
2021 and 2022	143.7
2023 and 2024	0.0
2025 and Later	4.9
Maximum Payout	228.6
Forward starting securities purchased under agreements to resell settled within three business days	
Commitments and Guarantees Obligations [Line Items]	
Maximum Payout	$ 2,991.6

Segment Reporting - Additional Information (Details)	9 Months Ended Aug. 31, 2019 segment
Segment Reporting [Abstract]	
Number of operating segments	2

Securitization Activities - Activity Related to Securitizations Accounted for as Sales (Details) - USD ($) $ in Millions	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Transfers and Servicing [Abstract]				
Transferred assets	$ 789.3	$ 1,865.5	$ 2,894.4	$ 5,665.9
Proceeds on new securitizations	789.3	1,866.2	2,966.3	5,668.6
Cash flows received on retained interests	$ 16.8	$ 17.2	$ 47.2	$ 35.7

Fair Value Disclosures - Financial Assets and Liabilities Accounted for at Fair Value on Recurring Basis (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Alternative investment	$ 573,457	$ 322,909
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	15,797,455	16,076,617
Derivative assets	485,744	130,610
Counterparty and Cash Collateral Netting, Assets	(2,494,475)	(2,412,486)
Securities purchased under agreements to resell	25,000	0
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	10,296,315	9,478,944
Derivative liabilities	562,806	1,127,651
Counterparty and Cash Collateral Netting, Liabilities	(2,599,206)	(2,511,605)
Long-term debt	1,014,509	686,170
Corporate equity securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,601,195	2,077,666
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	2,757,439	1,686,515
Corporate debt securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,901,759	2,692,664
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,804,868	1,506,140
Collateralized debt obligations and collateralized loan obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	135,180	98,764
U.S. government and federal agency securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,319,528	1,846,206
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,922,145	1,384,295
Municipal securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	706,375	894,253
Sovereign obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,610,467	2,812,965
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	2,135,214	2,396,337
Residential mortgage-backed securities		

Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	1,423,175	2,183,232
Commercial mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	378,781	830,292
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	35	
Other asset-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	524,653	292,556
Loans and other receivables		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	1,536,545	2,103,578
Investments at fair value		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	174,053	113,831
Loans		
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,113,808	1,378,006
Level 1		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	6,034,463	5,479,301
Derivative assets	9,258	12,186
Securities purchased under agreements to resell	0	
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	5,960,935	4,831,079
Derivative liabilities	7,327	26,471
Long-term debt	0	0
Level 1 | Corporate equity securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,388,213	1,907,945
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	2,750,131	1,685,071
Level 1 | Corporate debt securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	0
Level 1 | Collateralized debt obligations and collateralized loan obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 1 | U.S. government and federal agency securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,115,452	1,789,614
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,922,145	1,384,295

Level 1 | Municipal securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 1 | Sovereign obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	1,521,540	1,769,556
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,281,332	1,735,242
Level 1 | Residential mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 1 | Commercial mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	
Level 1 | Other asset-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 1 | Loans and other receivables		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 1 | Investments at fair value		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 1 | Loans		
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	0
Level 2		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	11,894,363	12,673,061
Derivative assets	2,954,937	2,524,988
Securities purchased under agreements to resell	0	
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	6,849,721	7,125,036
Derivative liabilities	3,087,898	3,585,249
Long-term debt	666,446	485,425
Level 2 | Corporate equity securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	162,382	118,681
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	7,097	1,444
Level 2 | Corporate debt securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	2,892,471	2,683,180

Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,803,666	1,505,618
Level 2 | Collateralized debt obligations and collateralized loan obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	114,045	72,949
Level 2 | U.S. government and federal agency securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	204,076	56,592
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	0
Level 2 | Municipal securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	706,375	894,253
Level 2 | Sovereign obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	1,088,927	1,043,409
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	853,882	661,095
Level 2 | Residential mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	1,405,246	2,163,629
Level 2 | Commercial mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	373,319	819,406
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	
Level 2 | Other asset-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	490,055	239,381
Level 2 | Loans and other receivables		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	1,460,982	2,056,593
Level 2 | Investments at fair value		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	41,548	0
Level 2 | Loans		
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,097,178	1,371,630
Level 3		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	363,104	336,741
Derivative assets	16,024	5,922
Securities purchased under agreements to resell	25,000	
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	84,865	34,434
Derivative liabilities	66,787	27,536

Long-term debt	348,063	200,745
Level 3 | Corporate equity securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	50,600	51,040
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	211	0
Level 3 | Corporate debt securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	9,288	9,484
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	1,202	522
Level 3 | Collateralized debt obligations and collateralized loan obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	21,135	25,815
Level 3 | U.S. government and federal agency securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	0
Level 3 | Municipal securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Level 3 | Sovereign obligations		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	0	0
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	0	0
Level 3 | Residential mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	17,929	19,603
Level 3 | Commercial mortgage-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	5,462	10,886
Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	35	
Level 3 | Other asset-backed securities		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	34,598	53,175
Level 3 | Loans and other receivables		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	75,563	46,985
Level 3 | Investments at fair value		
Financial instruments owned:		
Total financial instruments owned, excluding Investments at fair value based on NAV	132,505	113,831
Level 3 | Loans		

Financial instruments sold, not yet purchased:		
Total financial instruments sold, not yet purchased	16,630	6,376
Fair value based on net asset value		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Alternative investment	$ 573,500	$ 322,900

Net Capital Requirements (Tables)

Brokers and Dealers [Abstract]

Net Capital, Adjusted and Excess Net Capital

9 Months Ended Aug. 31, 2019

At August 31, 2019, Jefferies LLC's net capital and excess net capital were as follows (in thousands):

	Net Capital	Excess Net Capital
Jefferies LLC	$ 1,474,186	$ 1,356,458

Revenues from Contracts with Customers

Revenue from Contract with Customer [Abstract]

Revenues from Contracts with Customers

9 Months Ended Aug. 31, 2019

Revenues from Contracts with Customers

The following table presents our total revenues separated for our revenues from contracts with customers and our other sources of revenues (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Revenues from contracts with customers:				
Commissions and other fees (1)	$ 171,003	$ 162,700	$ 493,843	$ 482,194
Investment banking	412,533	465,326	1,128,216	1,405,614
Asset management fees	3,340	5,184	14,559	16,130
Total revenue from contracts with customers	586,876	633,210	1,636,618	1,903,938
Other sources of revenue:				
Principal transactions	148,873	143,308	632,002	498,583
Interest	383,596	305,347	1,163,022	870,490
Other	22,286	6,420	79,354	58,678
Total revenues	$ 1,141,631	$ 1,088,285	$ 3,510,996	$ 3,331,689

(1) During the third quarter of 2019, we have reclassified the presentation of certain other fees, primarily related to prime brokerage services offered to clients. These fees were previously presented as Other revenues in our Consolidated Statements of Earnings and are now presented within Commissions and other fees. There is no impact on Total revenues as a result of this change in presentation. Previously reported results are presented on a comparable basis.

Revenue from contracts with customers is recognized when, or as, we satisfy our performance obligations by transferring the promised goods or services to the customers. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognized by measuring our progress in satisfying the performance obligation in a manner that depicts the transfer of the goods or services to the customer. Revenue from a performance obligation satisfied at a point in time is recognized at the point in time that we determine the customer obtains control over the promised good or service. The amount of revenue recognized reflects the consideration we expect to be entitled to in exchange for those promised goods or services (*i.e.*, the "transaction price"). In determining the transaction price, we consider multiple factors, including the effects of variable consideration. Variable consideration is included in the transaction price only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainties with respect to the amount are resolved. In determining when to include variable consideration in the transaction price, we consider the range of possible outcomes, the predictive value of our past experiences, the time period of when uncertainties expect to be resolved and the amount of consideration that is susceptible to factors outside of our influence, such as market volatility or the judgment and actions of third parties.

The following provides detailed information on the recognition of our revenues from contracts with customers:

Commissions and Other Fees. We earn commission and other fee revenue by executing, settling and clearing transactions for clients primarily in equity, equity-related and futures products. Trade execution and clearing services, when provided together, represent a single performance obligation as the services are not separately identifiable in the context of the contract. Commission revenues associated with combined trade execution and clearing services, as well as trade execution services on a standalone basis, are recognized at a point in time on trade-date. Commissions revenues are generally paid on settlement date and we record a receivable between trade-date and payment on settlement date. We permit institutional customers to allocate a portion of their gross commissions to pay for research products and other services provided by third parties. The amounts allocated for those purposes are commonly referred to as soft dollar arrangements. We act as an agent in the soft dollar arrangements as the customer controls the use of the soft dollars and directs our payments to third-party service providers on its behalf. Accordingly, amounts allocated to soft dollar arrangements are netted against commission revenues in our Consolidated Statements of Earnings.

We earn account advisory and distribution fees in connection with wealth management services. Account advisory fees are recognized over time using the time-elapsed method as we determined that the customer simultaneously receives and consumes the benefits of investment advisory services as they are provided.

Account advisory fees may be paid in advance of a specified service period or in arrears at the end of the specified service period (*e.g.*, quarterly). Account advisory fees paid in advance are initially deferred within Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. Distribution fees are variable and recognized when the uncertainties with respect to the amounts are resolved.

Investment Banking. We provide our clients with a full range of capital markets and financial advisory services. Capital markets services include underwriting and placement agent services in both the equity and debt capital markets, including private equity placements, initial public offerings, follow-on offerings and equity-linked convertible securities transactions and structuring, underwriting and distributing public and private debt, including investment grade debt, high yield bonds, leveraged loans, municipal bonds and mortgage- and asset-backed securities. Underwriting and placement agent revenues are recognized at a point in time on trade-date, as the client obtains the control and benefit of the capital markets offering at that point. Costs associated with capital markets transactions are deferred until the related revenue is recognized or the engagement is otherwise concluded, and are recorded on a gross basis within Underwriting costs in the Consolidated Statements of Earnings as we are acting as a principal in the arrangement. Any expenses reimbursed by our clients are recognized as Investment banking revenues.

Revenues from financial advisory services primarily consist of fees generated in connection with merger, acquisition and restructuring transactions. Advisory fees from mergers and acquisitions engagements are recognized at a point in time when the related transaction is completed, as the performance obligation is to successfully broker a specific transaction. Fees received prior to the completion of the transaction are deferred within Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. Advisory fees from restructuring engagements are recognized over time using a time elapsed measure of progress as our clients simultaneously receive and consume the benefits of those services as they are provided. A significant portion of the fees we receive for our advisory services are considered variable as they are contingent upon a future event (*e.g.*, completion of a transaction or third-party emergence from bankruptcy) and are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved, which is expected to occur upon achievement of the specified milestone. Payment for advisory services are generally due promptly upon completion of a specified milestone or, for retainer fees, periodically over the course of the engagement. We recognize a receivable between the date of completion of the milestone and payment by the customer. Expenses associated with investment banking advisory engagements are deferred only to the extent they are explicitly reimbursable by the client and the related revenue is recognized at a point in time. All other investment banking advisory related expenses, including expenses incurred related to restructuring assignments, are expensed as incurred. All investment banking advisory expenses are recognized within their respective expense category in the Consolidated Statements of Earnings and any expenses reimbursed by our clients are recognized as Investment banking revenues.

Asset Management Fees. We earn management and performance fees in connection with investment advisory services provided to various funds and accounts, which are satisfied over time and measured using a time elapsed measure of progress as the customer receives the benefits of the services evenly throughout the term of the contract. Management and performance fees are considered variable as they are subject to fluctuation (*e.g.*, changes in assets under management, market performance) and/ or are contingent on a future event during the measurement period (*e.g.*, meeting a specified benchmark) and are recognized only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. Management fees are generally based on month-end assets under management or an agreed upon notional amount and are included in the transaction price at the end of each month when the assets under management or notional amount is known. Performance fees are received when the return on assets under management for a specified performance period exceed certain benchmark returns, “high-water marks” or other performance targets. The performance period related to our performance fees is annual or semi-annual. Accordingly, performance fee revenue will generally be recognized only at the end of the performance period to the extent that the benchmark return has been met.

Disaggregation of Revenue

The following presents our revenues from contracts with customers disaggregated by major business activity and primary geographic regions (in thousands):

	Three Months Ended August 31,						Nine Months Ended August 31,					
	2019			2018			2019			2018		
	Reportable Segment			Reportable Segment			Reportable Segment			Reportable Segment		
	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total
Major business activity:												
Equities (1)	$167,528	$ —	$167,528	$159,693	$ —	$159,693	$ 483,771	$ —	$ 483,771	$ 471,683	$ —	$ 471,683
Fixed												

income (1)	3,475	—	3,475	3,007	—	3,007	10,072	—	10,072	10,511	—	10,511
Investment banking - Capital markets	199,183	—	199,183	277,735	—	277,735	555,830	—	555,830	809,884	—	809,884
Investment banking - Advisory	213,350	—	213,350	187,591	—	187,591	572,386	—	572,386	595,730	—	595,730
Asset management	—	3,340	3,340	—	5,184	5,184	—	14,559	14,559	—	16,130	16,130
Total	$583,536	$ 3,340	$586,876	$628,026	$ 5,184	$633,210	$1,622,059	$ 14,559	$1,636,618	$1,887,808	$ 16,130	$1,903,938
Primary geographic region:												
Americas	$476,983	$ 1,937	$478,920	$546,219	$ 5,184	$551,403	$1,288,046	$ 8,818	$1,296,864	$1,628,503	$ 16,130	$1,644,633
Europe	88,890	1,403	90,293	62,914	—	62,914	280,605	5,741	286,346	203,103	—	203,103
Asia	17,663	—	17,663	18,893	—	18,893	53,408	—	53,408	56,202	—	56,202
Total	$583,536	$ 3,340	$586,876	$628,026	$ 5,184	$633,210	$1,622,059	$ 14,559	$1,636,618	$1,887,808	$ 16,130	$1,903,938

(1) Revenues from contracts with customers associated with the equities and fixed income businesses primarily represent commissions and other fee revenue.

Refer to Note 18, Segment Reporting, for a further discussion on the allocation of revenues to geographic regions.

Information on Remaining Performance Obligations and Revenue Recognized from Past Performance

We do not disclose information about remaining performance obligations pertaining to contracts that have an original expected duration of one year or less. The transaction price allocated to remaining unsatisfied or partially unsatisfied performance obligations with an original expected duration exceeding one year was not material at August 31, 2019. Investment banking advisory fees that are contingent upon completion of a specific milestone and fees associated with certain distribution services are also excluded as the fees are considered variable and not included in the transaction price at August 31, 2019.

During the three and nine months ended August 31, 2019, we recognized $9.6 million and $27.2 million, respectively, compared with $4.4 million and $18.3 million, during the three and nine months ended August 31, 2018, respectively, of revenue related to performance obligations satisfied (or partially satisfied) in previous periods, mainly due to resolving uncertainties in variable consideration that was constrained in prior periods. In addition, we recognized $6.0 million and $15.8 million, during the three and nine months ended August 31, 2019, respectively, compared with $4.6 million and $13.5 million, during the three and nine months ended August 31, 2018, respectively, of revenues primarily associated with distribution services, a portion of which relates to prior periods.

Contract Balances

The timing of our revenue recognition may differ from the timing of payment by our customers. We record a receivable when revenue is recognized prior to payment and we have an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, we record deferred revenue until the performance obligations are satisfied.

We had receivables related to revenues from contracts with customers of $205.8 million and $199.0 million at August 31, 2019 and November 30, 2018, respectively. We had no significant impairments related to these receivables during the three and nine months ended August 31, 2019 and 2018.

Our deferred revenue primarily relates to retainer and milestone fees received in investment banking advisory engagements where the performance obligation has not yet been satisfied. Deferred revenues at August 31, 2019 and November 30, 2018 were $8.5 million and $10.6 million, respectively, which are recorded in Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. During the three and nine months ended August 31, 2019, we recognized revenues of $9.4 million and $6.3 million, respectively, compared with $2.2 million and $4.0 million, during the three and nine months ended August 31, 2018, respectively, that were recorded as deferred revenue at the beginning of the periods.

Contract Costs

We capitalize costs to fulfill contracts associated with investment banking advisory engagements where the revenue is recognized at a point in time and the costs are determined to be recoverable. Capitalized costs to fulfill a contract are recognized at the point in time that the related revenue is recognized.

At August 31, 2019 and November 30, 2018, capitalized costs to fulfill a contract were $4.4 million and $4.7 million, respectively, which are recorded in Receivables – Fees, interest and other in the Consolidated Statements of Financial Condition. For the three and nine months ended August 31, 2019, we recognized expenses of $1.6 million

and $3.8 million, respectively, compared with $1.5 million for both the three and nine months ended August 31, 2018, related to costs to fulfill a contract that were capitalized as of the beginning of the period. There were no significant impairment charges recognized in relation to these capitalized costs during the three and nine months ended August 31, 2019 and 2018.

Net Capital Requirements	9 Months Ended Aug. 31, 2019
Brokers and Dealers [Abstract]	
Net Capital Requirements	

Net Capital Requirements

As a broker-dealer registered with the SEC and member firms of the Financial Industry Regulatory Authority ("FINRA"), Jefferies LLC is subject to the SEC Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum net capital, and has elected to calculate minimum capital requirements using the alternative method permitted by Rule 15c3-1 in calculating net capital. Jefferies LLC, as a dually-registered U.S broker-dealer and futures commission merchant ("FCM"), is also subject to Rule 1.17 of the Commodity Futures Trading Commission ("CFTC"), which sets forth minimum financial requirements. The minimum net capital requirement in determining excess net capital for a dually-registered U.S. broker-dealer and FCM is equal to the greater of the requirement under Rule 15c3-1 or CFTC Rule 1.17.

At August 31, 2019, Jefferies LLC's net capital and excess net capital were as follows (in thousands):

	Net Capital	Excess Net Capital
Jefferies LLC	$ 1,474,186	$ 1,356,458

FINRA is the designated examining authority for our U.S. broker-dealer and the National Futures Association is the designated self-regulatory organization for Jefferies LLC as an FCM.

Certain other U.S. and non-U.S. subsidiaries are subject to capital adequacy requirements as prescribed by the regulatory authorities in their respective jurisdictions, including Jefferies International Limited, which is authorized and regulated by the Financial Conduct Authority in the U.K.

The regulatory capital requirements referred to above may restrict our ability to withdraw capital from our regulated subsidiaries.

Short-Term Borrowings (Tables)

Debt Disclosure [Abstract]

Schedule of Short-term Borrowings

9 Months Ended Aug. 31, 2019

Short-term borrowings at August 31, 2019 and November 30, 2018 include the following and mature in one year or less (in thousands):

	August 31, 2019	November 30, 2018
Bank loans	$ 518,914	$ 330,942
Floating rate puttable notes	—	56,550
Total short-term borrowings	$ 518,914	$ 387,492

Securitization Activities (Tables)

9 Months Ended Aug. 31, 2019

Transfers and Servicing [Abstract]

Activity Related to Securitizations Accounted for as Sales

The following table presents activity related to our securitizations that were accounted for as sales in which we had continuing involvement (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Transferred assets	$ 789.3	$ 1,865.5	$ 2,894.4	$ 5,665.9
Proceeds on new securitizations	789.3	1,866.2	2,966.3	5,668.6
Cash flows received on retained interests	16.8	17.2	47.2	35.7

Summary of Retained Interests in SPEs

The following tables summarize our retained interests in SPEs where we transferred assets and have continuing involvement and received sale accounting treatment (in millions):

	August 31, 2019		November 30, 2018	
Securitization Type	Total Assets	Retained Interests	Total Assets	Retained Interests
U.S. government agency RMBS	$ 11,351.8	$ 123.8	$ 13,633.5	$ 365.3
U.S. government agency CMBS	1,374.9	48.4	2,027.6	185.6
CLOs	3,430.0	29.8	3,512.0	20.9
Consumer and other loans	975.0	56.8	604.1	48.9

Investments	9 Months Ended Aug. 31, 2019
Equity Method Investments and Joint Ventures [Abstract]	
Investments	

Investments

At August 31, 2019, we had investments in Jefferies Finance LLC ("Jefferies Finance") and Berkadia. In addition, we had an investment in Epic Gas, which was sold on March 19, 2019. Our investments in Jefferies Finance, Berkadia and Epic Gas have been accounted for under the equity method and have been included in Loans to and investments in related parties in our Consolidated Statements of Financial Condition with our share of the investees' earnings recognized in Other revenues in our Consolidated Statements of Earnings. We have limited partnership interests of 11% and 50% in Jefferies Capital Partners V L.P. and the Jefferies SBI USA Fund L.P. (together, "JCP Fund V"), respectively, which are private equity funds managed by a team led by one of our directors and our Chairman of the Executive Committee.

Jefferies Finance

Jefferies Finance, a joint venture entity pursuant to an agreement with Massachusetts Mutual Life Insurance Company ("MassMutual"), is a commercial finance company whose primary focus is the origination and syndication of senior secured debt to middle market and growth companies in the form of term and revolving loans. Loans are originated primarily through the investment banking efforts of Jefferies LLC. Jefferies Finance may also originate other debt products such as second lien term, bridge and mezzanine loans, as well as related equity co-investments. Jefferies Finance also purchases syndicated loans in the secondary market and acts as an investment advisor for various loan funds.

At August 31, 2019, we and MassMutual each had equity commitments to Jefferies Finance of $750.0 million, for a combined total commitment of $1.5 billion. At August 31, 2019, we had funded $643.7 million of our $750.0 million commitment, leaving $106.3 million unfunded. The investment commitment is scheduled to expire on March 1, 2020 with automatic one year extensions absent a 60 days termination notice by either party.

Jefferies Finance has executed a Secured Revolving Credit Facility with us and MassMutual, to be funded equally, to support loan underwritings by Jefferies Finance, which bears interest based on the interest rates of the related Jefferies Finance underwritten loans and is secured by the underlying loans funded by the proceeds of the facility. The total Secured Revolving Credit Facility is a committed amount of $500.0 million at August 31, 2019. Advances are shared equally between us and MassMutual. The facility is scheduled to mature on March 1, 2020 with automatic one year extensions absent a 60 days termination notice by either party. At August 31, 2019, we had funded $0.0 million of our $250.0 million commitment. The following summarizes the activity included in our Consolidated Statements of Earnings related to the facility (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Interest income	$ —	$ —	$ —	$ 1.2
Unfunded commitment fees	0.3	0.3	0.9	0.8

The following is a summary of selected financial information for Jefferies Finance (in millions):

	August 31, 2019	November 30, 2018
Our total equity balance	$ 635.5	$ 694.8

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net earnings (loss)	$ (16.3)	$ 38.0	$ 31.5	$ 140.7

The following summarizes activity related to our other transactions with Jefferies Finance (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Origination and syndication fee revenues (1)	$ 44.6	$ 71.1	$ 135.8	$ 282.1
Origination fee expenses (1)	8.2	12.1	21.8	45.5
CLO placement fee revenues (2)	1.0	0.4	2.3	3.1
Derivative losses (3)	—	(0.3)	—	(0.9)
Underwriting fees (4)	2.9	—	3.9	0.3
Service fees (5)	12.3	13.3	50.6	48.3

(1) We engage in debt capital markets transactions with Jefferies Finance related to the originations and syndications of loans by Jefferies Finance. In connection with such services, we earned fees, which are recognized in Investment banking revenues in our Consolidated Statements of Earnings. In addition, we paid fees to Jefferies Finance in respect of certain loans originated by Jefferies Finance, which are recognized as Business development expenses in our Consolidated Statements of Earnings.

(2) We act as a placement agent for CLOs managed by Jefferies Finance, for which we recognized fees, which are included in Investment banking revenues in our Consolidated Statements of Earnings. At August 31, 2019 and November 30, 2018, we held securities issued by CLOs managed by Jefferies Finance, which are included in Financial instruments owned, at fair value.

(3) We have entered into participation agreements and derivative contracts with Jefferies Finance based upon certain securities issued by CLOs and we have recognized gains (losses) relating to the derivative contracts.

(4) We acted as underwriter in connection with term loans issued by Jefferies Finance.

(5) Under a service agreement, we charge Jefferies Finance for services provided.

Receivables from Jefferies Finance, included in Other assets in our Consolidated Statements of Financial Condition, were $12.9 million and $35.2 million at August 31, 2019 and November 30, 2018, respectively. Payables to Jefferies Finance, related to cash deposited with us and included in Accrued expenses and other liabilities in our Consolidated Statements of Financial Condition, were $13.7 million and $14.1 million at August 31, 2019 and November 30, 2018, respectively.

We enter into OTC foreign exchange contracts with Jefferies Finance. In connection with these contracts we had $2.1 million recorded in Financial instruments sold, at fair value in our Consolidated Statements of Financial Condition at August 31, 2019. We recorded $0.2 million in Payables—brokers, dealers and clearing organizations and $0.4 million in Financial instruments sold, not yet purchased, at fair value in connection with these contracts in our Consolidated Statements of Financial Condition at November 30, 2018.

On March 28, 2019, we entered into a promissory note with Jefferies Finance with a principal amount of $1.0 billion, the proceeds of which were used in connection with our investment banking loan syndication activities. We repaid Jefferies Finance the entire outstanding principal amount of this note on May 15, 2019. Interest paid on the note of $3.8 million is included in Interest expense within our Consolidated Statements of Earnings.

Berkadia

Berkadia is a commercial mortgage banking and servicing joint venture that was formed in 2009 by Jefferies and Berkshire Hathaway Inc. On October 1, 2018, Jefferies transferred its 50% voting equity interest in Berkadia and related arrangements to us. As a result, we are entitled to receive 45% of the profits of Berkadia. Berkadia originates commercial/multifamily real estate loans that are sold to U.S. government agencies, and originates and brokers commercial/multifamily mortgage loans which are not part of government agency programs. Berkadia is an investment sales advisor focused on the multifamily industry. Berkadia is a servicer of commercial real estate loans in the U.S., performing primary, master and special servicing functions for U.S. government agency programs, commercial mortgage-backed securities transactions, banks, insurance companies and other financial institutions.

The following is a summary of selected financial information for Berkadia (in millions):

	August 31, 2019	November 30, 2018
Our total equity balance	$ 270.5	$ 245.2

	Three Months Ended August 31, 2019	Nine Months Ended August 31, 2019
Net earnings	$ 53.8	$ 160.3

At August 31, 2019 and November 30, 2018, we had commitments to purchase $464.4 million and $723.8 million, respectively, in agency CMBS from Berkadia. During the three and nine months ended August 31, 2019, we received $29.6 million and $47.7 million, respectively, in distributions from Berkadia on our equity interest.

JCP Fund V

The amount of our investments in JCP Fund V included in Financial instruments owned, at fair value in our Consolidated Statements of Financial Condition was $26.0 million and $31.9 million at August 31, 2019 and November 30, 2018, respectively. We account for these investments at fair value based on the NAV of the funds provided by the fund managers (see Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018). The following summarizes the results from these investments which are included in Principal transactions revenues in our Consolidated Statements of Earnings (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net gains (losses) from our investments in JCP Fund V	$ (2.5)	$ 0.3	$ (1.9)	$ 10.1

At both August 31, 2019 and November 30, 2018, we were committed to invest equity of up to $85.0 million in JCP Fund V. At August 31, 2019 and November 30, 2018, our unfunded commitment relating to JCP Fund V was $9.4 million and $9.7 million, respectively.

The following is a summary of the Net change in net assets resulting from operations for 100.0% of JCP Fund V, in which we owned effectively 35.2% of the combined equity interests (in thousands):

	Three Months Ended					
	June 30, 2019 (1)	March 31, 2019 (1)	December 31, 2018 (1)	June 30, 2018 (1)	March 31, 2018 (1)	December 31, 2017 (1)
Net increase (decrease) in net assets resulting from operations	$ (7,174)	$ (1,169)	$ (8,412)	$ 1,663	$ 8,463	$ 19,712

(1) Financial information for JCP Fund V within our results of operations for the three and nine months ended August 31, 2019 and 2018 is included based on the presented periods.

Epic Gas

On July 14, 2015, Jefferies LLC purchased common shares of Epic Gas. At November 30, 2018, we owned approximately 21.1% of the outstanding common stock of Epic Gas and one of our directors served on the Board of Directors of Epic Gas and owned common shares of Epic Gas. During the nine months ended August 31, 2019, we sold all of our common shares of Epic Gas, at fair value, for a total of $24.6 million. There was a gain of $2.8 million on this transaction, which is included in Other revenue in our Consolidated Statements of Earnings. At November 30, 2018, our investment in Epic Gas of $21.7 million was included in Loans to and investments in related parties in our Consolidated Statements of Financial Condition. For the three months ended December 31, 2018, March 31, 2018 and December 31, 2017, Epic Gas reported net earnings (losses) of $0.9 million, $(2.7) million, and $(16.4) million, respectively.

Organization and Basis of Presentation	9 Months Ended Aug. 31, 2019
Accounting Policies [Abstract]	
Organization and Basis of Presentation	

Organization and Basis of Presentation

Organization

Jefferies Group LLC is the largest independent U.S.-headquartered global full service, integrated securities and investment banking firm. The accompanying Consolidated Financial Statements represent the accounts of Jefferies Group LLC and all our subsidiaries (together "we" or "us"). The subsidiaries of Jefferies Group LLC include Jefferies LLC, Jefferies International Limited, Jefferies Hong Kong Limited, Jefferies Financial Services, Inc., Jefferies Funding LLC, Jefferies Leveraged Credit Products, LLC and all other entities in which we have a controlling financial interest or are the primary beneficiary.

Jefferies Group LLC is a direct wholly owned subsidiary of publicly traded Jefferies Financial Group Inc. ("Jefferies"). Jefferies does not guarantee any of our outstanding debt securities. Jefferies Group LLC is a Securities and Exchange Commission ("SEC") reporting company, filing annual, quarterly and periodic financial reports. Richard Handler, our Chief Executive Officer and Chairman, is the Chief Executive Officer of Jefferies, as well as a Director of Jefferies. Brian P. Friedman, our Chairman of the Executive Committee, is Jefferies' President and a Director of Jefferies.

On October 1, 2018, Jefferies transferred its 50% interest in Berkadia Commercial Mortgage Holding LLC ("Berkadia") and investments in certain separately managed accounts and funds to us. On November 1, 2018, we purchased Leucadia Investment Management Limited, an investment advisory company, from Leucadia Asset Management Holding LLC, a subsidiary of Jefferies. These transfers were accomplished as capital contributions from Jefferies of approximately $598.2 million and total cash payments of $76.0 million to Jefferies during the fourth quarter of 2018. In connection with these transfers, related deferred tax liabilities of approximately $50.9 million were transferred to us, for which Jefferies has indemnified us.

We operate in two reportable business segments, Capital Markets and Asset Management. For further information on our reportable business segments, refer to Note 18, Segment Reporting.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and should be read in conjunction with our consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended November 30, 2018. Certain footnote disclosures included in our Annual Report on Form 10-K for the year ended November 30, 2018 have been condensed or omitted from the consolidated financial statements as they are not required for interim reporting under U.S. GAAP. The Consolidated Financial Statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for the fair presentation of the results for the interim period. The results presented in the Consolidated Financial Statements for interim periods are not necessarily indicative of the results for the entire year.

We have made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period to prepare these consolidated financial statements in conformity with U.S. GAAP. The most important of these estimates and assumptions relate to fair value measurements, compensation and benefits, goodwill and intangible assets, the ability to realize certain deferred tax assets and the recognition and measurement of uncertain tax positions. Although these and other estimates and assumptions are based on the best available information, actual results could be materially different from these estimates.

During the third quarter of 2019, we have reclassified the presentation of certain other fees, primarily related to prime brokerage services offered to clients. These fees were previously presented as Other revenues in our Consolidated Statements of Earnings and are now presented within Commissions and other fees. Previously reported results are presented on a comparable basis. This change had the impact of increasing Commissions and other fees and reducing Other revenues by $7.2 million and $20.6 million for the three and nine months ended August 31, 2018, respectively. There is no impact on Total revenues as a result of this change in presentation.

Consolidation

Our policy is to consolidate all entities that we control by ownership of a majority of the outstanding voting stock. In addition, we consolidate entities that meet the definition of a variable interest entity ("VIE") for which we are the primary beneficiary. The primary beneficiary is the party who has the power to

direct the activities of a VIE that most significantly impact the entity's economic performance and who has an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity. For consolidated entities that are less than wholly owned, the third party's holding of equity interest is presented as Noncontrolling interests in our Consolidated Statements of Financial Condition and Consolidated Statements of Changes in Equity. The portion of net earnings attributable to the noncontrolling interests is presented as Net earnings (loss) attributable to noncontrolling interests in our Consolidated Statements of Earnings.

In situations in which we have significant influence, but not control, of an entity that does not qualify as a VIE, we apply either the equity method of accounting or fair value accounting pursuant to the fair value option election under U.S. GAAP, with our portion of net earnings or gains and losses recorded in Other revenues or Principal transactions revenues, respectively. We also have formed nonconsolidated investment vehicles with third-party investors that are typically organized as partnerships or limited liability companies and are carried at fair value. We act as general partner or managing member for these investment vehicles and have generally provided the third-party investors with termination or "kick-out" rights.

Intercompany accounts and transactions are eliminated in consolidation.

Derivative Financial Instruments

9 Months Ended Aug. 31, 2019

Derivative Instruments and Hedging Activities Disclosure [Abstract]

Derivative Financial Instruments

Derivative Financial Instruments

Derivative Financial Instruments

Our derivative activities are recorded at fair value in our Consolidated Statements of Financial Condition in Financial instruments owned and Financial instruments sold, not yet purchased, net of cash paid or received under credit support agreements and on a net counterparty basis when a legally enforceable right to offset exists under a master netting agreement. We enter into derivative transactions to satisfy the needs of our clients and to manage our own exposure to market and credit risks resulting from our trading activities. In addition, we apply hedge accounting to an interest rate swap that has been designated as a fair value hedge of the changes in fair value due to the benchmark interest rate for certain fixed rate senior long-term debt.

See Note 4, Fair Value Disclosures, and Note 16, Commitments, Contingencies and Guarantees, for additional disclosures about derivative financial instruments.

Derivatives are subject to various risks similar to other financial instruments, including market, credit and operational risk. The risks of derivatives should not be viewed in isolation, but rather should be considered on an aggregate basis along with our other trading-related activities. We manage the risks associated with derivatives on an aggregate basis along with the risks associated with proprietary trading as part of our firm wide risk management policies.

In connection with our derivative activities, we may enter into International Swaps and Derivatives Association, Inc. master netting agreements or similar agreements with counterparties. See Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018 for additional information regarding the offsetting of derivative contracts.

The following tables present the fair value and related number of derivative contracts at August 31, 2019 and November 30, 2018 categorized by type of derivative contract and the platform on which these derivatives are transacted. The fair value of assets/liabilities represents our receivable/payable for derivative financial instruments, gross of counterparty netting and cash collateral received and pledged. The following tables also provide information regarding 1) the extent to which, under enforceable master netting arrangements, such balances are presented net in our Consolidated Statements of Financial Condition as appropriate under U.S. GAAP and 2) the extent to which other rights of setoff associated with these arrangements exist and could have an effect on our financial position (in thousands, except contract amounts).

	August 31, 2019 (1)			
	Assets		Liabilities	
	Fair Value	Number of Contracts (2)	Fair Value	Number of Contracts (2)
Derivatives designated as accounting hedges:				
Interest rate contracts:				
Cleared OTC	$ 38,588	1	$ —	—
Total derivatives designated as accounting hedges	38,588		—	
Derivatives not designated as accounting hedges:				
Interest rate contracts:				
Exchange-traded	1,766	39,912	873	45,448
Cleared OTC	863,437	3,335	903,989	3,947
Bilateral OTC	539,158	1,865	241,817	474

Foreign exchange contracts:				
Exchange-traded	—	191	—	87
Bilateral OTC	550,737	8,564	548,854	8,319
Equity contracts:				
Exchange-traded	741,307	1,998,268	1,091,142	1,611,110
Bilateral OTC	228,415	4,073	357,356	4,428
Commodity contracts:				
Exchange-traded	1,418	9,523	—	6,239
Credit contracts:				
Cleared OTC	5,210	12	7,988	16
Bilateral OTC	10,183	34	9,993	21
Total derivatives not designated as accounting hedges	2,941,631		3,162,012	
Total gross derivative assets/ liabilities:				
Exchange-traded	744,491		1,092,015	
Cleared OTC	907,235		911,977	
Bilateral OTC	1,328,493		1,158,020	
Amounts offset in our Consolidated Statements of Financial Condition (3):				
Exchange-traded	(723,158)		(723,158)	
Cleared OTC	(871,162)		(881,963)	
Bilateral OTC	(900,155)		(994,085)	
Net amounts per Consolidated Statements of Financial Condition (4)	$ 485,744		$ 562,806	

(1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.

(2) Number of exchange traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations in our Consolidated Statements of Financial Condition.

(3) Amounts netted include both netting by counterparty and for cash collateral paid or received.

(4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

	November 30, 2018 (1)			
	Assets		Liabilities	
	Fair Value	Number of Contracts (2)	Fair Value	Number of Contracts (2)
Derivatives designated as accounting hedges:				
Interest rate contracts:				
Cleared OTC	$ —	—	$ 29,647	1
Total derivatives designated as accounting hedges	—		29,647	
Derivatives not designated as accounting hedges:				
Interest rate contracts:				
Exchange-traded	924	32,159	513	66,095
Cleared OTC	422,670	2,095	411,833	2,394
Bilateral OTC	372,899	1,398	491,697	816
Foreign exchange contracts:				
Exchange-traded	42	538	2	690
Cleared OTC	—	—	36	3
Bilateral OTC	311,228	9,548	314,951	9,909

Equity contracts:				
Exchange-traded	1,202,927	2,104,684	2,061,137	1,779,836
Bilateral OTC	207,221	5,126	315,996	2,764
Commodity contracts:				
Exchange-traded	213	3,927	270	4,012
Credit contracts:				
Cleared OTC	11,204	7	1,556	14
Bilateral OTC	13,768	123	11,618	79
Total derivatives not designated as accounting hedges	2,543,096		3,609,609	
Total gross derivative assets/liabilities:				
Exchange-traded	1,204,106		2,061,922	
Cleared OTC	433,874		443,072	
Bilateral OTC	905,116		1,134,262	
Amounts offset in our Consolidated Statements of Financial Condition (3):				
Exchange-traded	(1,190,951)		(1,190,951)	
Cleared OTC	(407,351)		(418,779)	
Bilateral OTC	(814,184)		(901,875)	
Net amounts per Consolidated Statements of Financial Condition (4)	$ 130,610		$ 1,127,651	

(1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.

(2) Number of exchange traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations in our Consolidated Statements of Financial Condition.

(3) Amounts netted include both netting by counterparty and for cash collateral paid or received.

(4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

The following table provides information related to gains (losses) recognized in Interest expense in our Consolidated Statements of Earnings on a fair value hedge (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
Gains (Losses)	2019	2018	2019	2018
Interest rate swaps	$ 28,052	$ (1,161)	$ 69,843	$ (22,363)
Long-term debt	(28,519)	1,221	(72,288)	24,055
Total	$ (467)	$ 60	$ (2,445)	$ 1,692

The following table presents unrealized and realized gains (losses) on derivative contracts recognized in Principal transactions revenues in our Consolidated Statements of Earnings, which are utilized in connection with our client activities and our economic risk management activities (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
Gains (Losses)	2019	2018	2019	2018
Interest rate contracts	$ (89,864)	$ 13,951	$ (193,715)	$ 36,053
Foreign exchange contracts	(3,022)	(4,421)	(1,604)	6,207
Equity contracts	2,236	1,807	(118,354)	(215,232)
Commodity contracts	3,400	281	4,775	3,025
Credit contracts	2,687	620	11,600	3,026
Total	$ (84,563)	$ 12,238	$ (297,298)	$ (166,921)

The net gains (losses) on derivative contracts in the table above are one of a number of activities comprising our business activities and are before consideration of economic hedging transactions, which generally offset the net gains (losses) included above. We substantially mitigate our exposure to market risk on our cash instruments through derivative contracts, which generally provide offsetting revenues, and we manage the risk associated with these contracts in the context of our overall risk management framework.

OTC Derivatives. The following tables set forth by remaining contract maturity the fair value of OTC derivative assets and liabilities at August 31, 2019 (in thousands):

	OTC Derivative Assets (1) (2) (3)				
	0 – 12 Months	1 – 5 Years	Greater Than 5 Years	Cross-Maturity Netting (4)	Total
Equity swaps and options	$ 57,345	$ 1	$ 3,579	$ (3,572)	$ 57,353
Credit default swaps	887	826	—	(81)	1,632
Total return swaps	25,166	70,022	—	(334)	94,854
Foreign currency forwards, swaps and options	111,325	4,740	7	(3,538)	112,534
Fixed income forwards	556	—	—	—	556
Interest rate swaps, options and forwards	76,320	225,447	183,737	(56,767)	428,737
Total	$ 271,599	$ 301,036	$ 187,323	$ (64,292)	695,666
Cross product counterparty netting					(26,934)
Total OTC derivative assets included in Financial instruments owned					$ 668,732

(1) At August 31, 2019, we held net exchange-traded derivative assets and other credit agreements with a fair value of $30.3 million, which are not included in this table.

(2) OTC derivative assets in the table above are gross of collateral received. OTC derivative assets are recorded net of collateral received in our Consolidated Statements of Financial Condition. At August 31, 2019, cash collateral received was $213.2 million.

(3) Derivative fair values include counterparty netting within product category.

(4) Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

	OTC Derivative Liabilities (1) (2) (3)				
	0 – 12 Months	1 – 5 Years	Greater Than 5 Years	Cross-Maturity Netting (4)	Total
Equity swaps and options	$ 8,679	$ 123,854	$ 49,873	$ (3,572)	$ 178,834
Credit default swaps	35	6,291	—	(81)	6,245
Total return swaps	77,259	25,160	—	(334)	102,085
Foreign currency forwards, swaps and options	108,267	2,758	2,984	(3,538)	110,471
Fixed income forwards	868	—	—	—	868
Interest rate swaps, options and forwards	42,416	43,161	109,564	(56,767)	138,374
Total	$ 237,524	$ 201,224	$ 162,421	$ (64,292)	536,877
Cross product counterparty netting					(26,934)
Total OTC derivative liabilities included in Financial instruments sold, not yet purchased					$ 509,943

(1) At August 31, 2019, we held net exchange-traded derivative liabilities and other credit agreements with a fair value of $370.8 million, which are not included in this table.

(2) OTC derivative liabilities in the table above are gross of collateral pledged. OTC derivative liabilities are recorded net of collateral pledged in our Consolidated Statements of Financial

Condition. At August 31, 2019, cash collateral pledged was $318.0 million.

(3) Derivative fair values include counterparty netting within product category.

(4) Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

The following table presents the counterparty credit quality with respect to the fair value of our OTC derivative assets at August 31, 2019 (in thousands):

Counterparty credit quality (1):	
A- or higher	$ 146,495
BBB- to BBB+	42,072
BB+ or lower	275,252
Unrated	204,913
Total	$ 668,732

(1) We utilize internal credit ratings determined by our Risk Management department. Credit ratings determined by Risk Management use methodologies that produce ratings generally consistent with those produced by external rating agencies.

Credit Related Derivative Contracts

The external credit ratings of the underlyings or referenced assets for our written credit related derivative contracts (in millions):

	August 31, 2019			
	External Credit Rating			
	Investment Grade	Non-investment Grade	Unrated	Total Notional
Credit protection sold:				
Index credit default swaps	$ —	$ 96.8	$ —	$ 96.8
Single name credit default swaps	7.6	31.6	32.9	72.1

	November 30, 2018			
	External Credit Rating			
	Investment Grade	Non-investment Grade	Unrated	Total Notional
Credit protection sold:				
Index credit default swaps	$ 25.7	$ 167.4	$ —	$ 193.1
Single name credit default swaps	57.7	84.5	3.0	145.2

Contingent Features

Certain of our derivative instruments contain provisions that require our debt to maintain an investment grade credit rating from each of the major credit rating agencies. If our debt were to fall below investment grade, it would be in violation of these provisions and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on our derivative instruments in liability positions. The following table presents the aggregate fair value of all derivative instruments with such credit-risk-related contingent features that are in a liability position, the collateral amounts we have posted or received in the normal course of business and the potential collateral we would have been required to return and/or post additionally to our counterparties if the credit -risk-related contingent features underlying these agreements were triggered (in millions):

	August 31, 2019	November 30, 2018
Derivative instrument liabilities with credit-risk-related contingent features	$ 113.7	$ 93.5

Collateral posted	(80.0)	(61.5)
Collateral received	57.0	91.5
Return of and additional collateral required in the event of a credit rating downgrade below investment grade (1)	90.6	123.3

(1)
These potential outflows include initial margin received from counterparties at the execution of the derivative contract. The initial margin will be returned if counterparties elect to terminate the contract after a downgrade.

Investments - Summary of Selected Financial Information for JCP Fund V (Details) - JCP Fund V - USD ($) $ in Thousands	3 Months Ended								9 Months Ended	
	Aug. 31, 2019	Jun. 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Aug. 31, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Aug. 31, 2019	Aug. 31, 2018
Schedule of Equity Method Investments [Line Items]										
Net gains (losses) from our investments in JCP Fund V	$ (2,500)				$ 300				$ (1,900)	$ 10,100
Net increase (decrease) in net assets resulting from operations		$ (7,174)	$ (1,169)	$ (8,412)		$ 1,663	$ 8,463	$ 19,712		

Revenues from Contracts with Customers - Disaggregation of Revenue (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	$ 586,876	$ 633,210	$ 1,636,618	$ 1,903,938
Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	583,536	628,026	1,622,059	1,887,808
Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	3,340	5,184	14,559	16,130
Americas				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	478,920	551,403	1,296,864	1,644,633
Americas | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	476,983	546,219	1,288,046	1,628,503
Americas | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	1,937	5,184	8,818	16,130
Europe				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	90,293	62,914	286,346	203,103
Europe | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	88,890	62,914	280,605	203,103
Europe | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	1,403	0	5,741	0
Asia				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	17,663	18,893	53,408	56,202
Asia | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	17,663	18,893	53,408	56,202
Asia | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	0	0	0	0
Equities				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	167,528	159,693	483,771	471,683
Equities | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	167,528	159,693	483,771	471,683

Equities | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	0	0	0	0
Fixed income				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	3,475	3,007	10,072	10,511
Fixed income | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	3,475	3,007	10,072	10,511
Fixed income | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	0	0	0	0
Investment banking - Capital markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	199,183	277,735	555,830	809,884
Investment banking - Capital markets | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	199,183	277,735	555,830	809,884
Investment banking - Capital markets | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	0	0	0	0
Investment banking - Advisory				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	213,350	187,591	572,386	595,730
Investment banking - Advisory | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	213,350	187,591	572,386	595,730
Investment banking - Advisory | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	0	0	0	0
Asset management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	3,340	5,184	14,559	16,130
Asset management | Capital Markets				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	0	0	0	0
Asset management | Asset Management				
Disaggregation of Revenue [Line Items]				
Revenue from contracts with customers	$ 3,340	$ 5,184	$ 14,559	$ 16,130

Short-Term Borrowings (Details) € in Millions	3 Months Ended		9 Months Ended				
	Aug. 31, 2019 USD ($)	Aug. 31, 2018 USD ($)	Aug. 31, 2019 USD ($)	Aug. 31, 2018 USD ($)	Jul. 29, 2019 EUR (€)	Dec. 27, 2018 USD ($)	Nov. 30, 2018 USD ($)
Short-term Debt [Line Items]							
Short-term borrowings	$ 518,914,000		$ 518,914,000				$ 387,492,000
Interest rate on short-term borrowings outstanding	3.42%		3.42%				
Average daily short-term borrowings	$ 496,500,000	$ 422,900,000	$ 580,800,000	$ 498,600,000			
Credit facility maximum borrowing capacity						$ 135,000,000.0	
Floating rate puttable notes							
Short-term Debt [Line Items]							
Short-term borrowings	0		0				56,550,000
Short-term borrowings matured during period | €					€ 50.0		
Bank loans							
Short-term Debt [Line Items]							
Short-term borrowings	518,914,000		518,914,000				$ 330,942,000
Revolving Credit Facility | Intraday Credit Facility							
Short-term Debt [Line Items]							
Credit facility maximum borrowing capacity	$ 150,000,000.0		$ 150,000,000.0				
Revolving Credit Facility | Intraday Credit Facility | Federal funds effective rate							
Short-term Debt [Line Items]							
Basis spread on variable rate			0.50%				

Investments - Summary of Selected Financial Information for Jefferies Finance (Details) - Jefferies Finance, LLC - USD ($) $ in Millions	3 Months Ended		9 Months Ended		
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Nov. 30, 2018
Schedule of Equity Method Investments [Line Items]					
Interest income	$ 0.0	$ 0.0	$ 0.0	$ 1.2	
Unfunded commitment fees	0.3	0.3	0.9	0.8	
Our total equity balance	635.5		635.5		$ 694.8
Net earnings (loss)	(16.3)	38.0	31.5	140.7	
Origination and syndication fee revenues	44.6	71.1	135.8	282.1	
Origination fee expenses	8.2	12.1	21.8	45.5	
CLO placement fee revenues	1.0	0.4	2.3	3.1	
Derivative losses	0.0	(0.3)	0.0	(0.9)	
Underwriting fees	2.9	0.0	3.9	0.3	
Service fees	$ 12.3	$ 13.3	$ 50.6	$ 48.3	

Income Taxes (Details) - USD ($)	3 Months Ended			9 Months Ended		
	Aug. 31, 2019	Feb. 28, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Nov. 30, 2018
Income Tax Disclosure [Abstract]						
Unrecognized tax benefits	$ 126,200,000			$ 126,200,000		$ 125,600,000
Unrecognized tax benefits that would impact effective tax rate in future	99,800,000			99,800,000		99,400,000
Accrued interest on unrecognized tax benefits	53,900,000			53,900,000		49,300,000
Accrued penalties on unrecognized tax benefits	0			0		$ 0
Increase of provisional tax charge related to the Tax Act during period		$ 200,000				
Total tax charge related to Tax Act		165,300,000			$ 160,200,000	
Total tax charge related to write down of deferred tax asset as a result of the Tax Act		$ 112,700,000				
Income tax expense	$ 18,250,000		$ 26,923,000	$ 79,789,000	$ 234,337,000	
Effective income tax rate				26.50%	70.60%	

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED) - USD ($) $ in Thousands	Total		Member's paid-in capital	Accumulated other comprehensive income (loss), net of tax	Total Jefferies Group LLC member's equity	Noncontrolling interests
Increase (Decrease) in Stockholders' Equity						
Cumulative effect of the adoption of the new revenue standard, net of tax			$ (6,121)			
Balance, beginning of period at Nov. 30, 2017			5,895,601	$ (136,779)		$ 737
Increase (Decrease) in Stockholders' Equity						
Net earnings	$ 97,367		97,368			(1)
Distributions to Jefferies Financial Group Inc.			(248,684)			
Tax Cuts and Jobs Act adjustment			7,555			
Currency translation adjustments and other	(71,219)	[1]		(71,219)		
Changes in instrument specific credit risk	8,971	[2]		8,971		
Cash flow hedges	1,382	[3]		1,382		
Unrealized gain on available-for-sale securities	0	[4]		0		
Contributions						10
Distributions						0
Consolidation of asset management entity						8,316
Balance, end of period at Aug. 31, 2018	5,557,136		5,745,719	(197,645)	$ 5,548,074	9,062
Increase (Decrease) in Stockholders' Equity						
Cumulative effect of the adoption of the new revenue standard, net of tax			0			
Balance, beginning of period at May. 31, 2018			5,715,628	(172,747)		750
Increase (Decrease) in Stockholders' Equity						
Net earnings	60,178		60,182			(4)
Distributions to Jefferies Financial Group Inc.			(30,091)			
Tax Cuts and Jobs Act adjustment			0			
Currency translation adjustments and other	(26,050)	[1]		(26,050)		
Changes in instrument specific credit risk	1,067	[2]		1,067		
Cash flow hedges	85	[3]		85		
Unrealized gain on available-for-sale securities	0	[4]		0		

Contributions					0
Distributions					0
Consolidation of asset management entity					8,316
Balance, end of period at Aug. 31, 2018	5,557,136	5,745,719	(197,645)	5,548,074	9,062
Increase (Decrease) in Stockholders' Equity					
Cumulative effect of the adoption of the new revenue standard, net of tax		0			
Balance, beginning of period at Nov. 30, 2018		6,376,662	(196,169)		1,911
Increase (Decrease) in Stockholders' Equity					
Net earnings	221,009	220,869			140
Distributions to Jefferies Financial Group Inc.		(210,434)			
Tax Cuts and Jobs Act adjustment		0			
Currency translation adjustments and other	(34,208) [1]		(34,208)		
Changes in instrument specific credit risk	26,533 [2]		26,533		
Cash flow hedges	(470) [3]		(470)		
Unrealized gain on available-for-sale securities	577 [4]		577		
Contributions					6,600
Distributions					(2,481)
Consolidation of asset management entity					0
Balance, end of period at Aug. 31, 2019	6,189,530	6,387,097	(203,737)	6,183,360	6,170
Increase (Decrease) in Stockholders' Equity					
Cumulative effect of the adoption of the new revenue standard, net of tax		0			
Balance, beginning of period at May. 31, 2019		6,354,613	(181,801)		6,313
Increase (Decrease) in Stockholders' Equity					
Net earnings	64,825	64,968			(143)
Distributions to Jefferies Financial Group Inc.		(32,484)			
Tax Cuts and Jobs Act adjustment		0			
Currency translation adjustments and other	(28,023) [1]		(28,023)		
Changes in instrument specific credit risk	5,889 [2]		5,889		
Cash flow hedges	0 [3]		0		

Unrealized gain on available-for-sale securities	198	[4]	198		
Contributions					0
Distributions					0
Consolidation of asset management entity					0
Balance, end of period at Aug. 31, 2019	$ 6,189,530	$ 6,387,097	$ (203,737)	$ 6,183,360	$ 6,170

[1] The amounts during the three and nine months ended August 31, 2019 include income tax benefits of $8.9 million and $10.6 million respectively, compared with $2.8 million in both the three and nine months ended August 31, 2018, related to the impact of certain discrete items related to tax planning for our non-U.S. subsidiaries in connection with the Tax Cuts and Jobs Act (the “Tax Act”). The amount during the nine months ended August 31, 2018 includes $5.3 million related to the transfer of the German Pension Plan, which was reclassified to Compensation and benefits expenses within the Consolidated Statements of Earnings and ($0.8) million related to the Tax Act, which was reclassified to Member’s paid-in capital and a gain of $20.5 million related to foreign currency gains, which was reclassified to Other revenues within the Consolidated Statements of Earnings.

[2] The amounts include income tax expenses of approximately $2.0 million and $9.0 million for the three and nine months ended August 31, 2019, respectively, and income tax expenses of approximately $0.3 million and $11.0 million for the three and nine months ended August 31, 2018, respectively. The amount during the nine months ended August 31, 2019 also includes gains of $0.5 million, net of taxes of $0.2 million, related to changes in instrument specific risk, which was reclassified to Principal transactions revenues within the Consolidated Statements of Earnings. The amounts during the three and nine months ended August 31, 2018 also include gains of $0.1 million and $0.4 million, net of taxes of $0.1 million, respectively, related to changes in instrument specific risk, which was reclassified to Principal transactions revenues within the Consolidated Statements of Earnings. The amount during the nine months ended August 31, 2018 includes ($6.5) million related to the Tax Act, which was reclassified to Member’s paid-in capital.

[3] The amount during the nine months ended August 31, 2019 includes income tax benefits of $0.2 million. The cash flow hedge loss of $0.5 million during the nine months ended August 31, 2019 was reclassified to Other revenues within the Consolidated Statement of Earnings due to the sale of all of our common shares of Epic Gas Ltd. (“Epic Gas”). Refer to Note 9, Investments for further information. The amount during the nine months ended August 31, 2018 includes income tax expenses of $0.7 million. The amount during the nine months ended August 31, 2018 also includes ($0.2) million related to the Tax Act, which was reclassified to Member’s paid-in capital.

[4] The amount during the nine months ended August 31, 2019 includes income tax expense of approximately $0.2 million

Goodwill and Intangible Assets - Summary of Intangible Assets (Details) - USD ($) $ in Thousands	9 Months Ended Aug. 31, 2019	12 Months Ended Nov. 30, 2018
Schedule of Finite-Lived and Indefinite-Lived Intangible Assets [Line Items]		
Total gross costs - intangible assets	$ 261,182	$ 262,446
Accumulated amortization - finite lived intangible assets	(88,489)	(79,978)
Impairment loss	(291)	
Total net carrying amount - intangible assets	172,402	182,468
Exchange and clearing organization membership interests and registrations		
Schedule of Finite-Lived and Indefinite-Lived Intangible Assets [Line Items]		
Gross costs - indefinite lived intangible assets	8,516	8,524
Impairment loss	(291)	
Net carrying amount - indefinite lived intangible assets	8,225	8,524
Customer relationships		
Schedule of Finite-Lived and Indefinite-Lived Intangible Assets [Line Items]		
Gross costs - finite lived intangible assets	125,066	125,574
Accumulated amortization - finite lived intangible assets	(64,792)	(58,892)
Net carrying amount - finite lived intangible assets	$ 60,274	$ 66,682
Weighted average remaining lives (years)	10 years 1 month 6 days	10 years 7 months 6 days
Trade name		
Schedule of Finite-Lived and Indefinite-Lived Intangible Assets [Line Items]		
Gross costs - finite lived intangible assets	$ 127,600	$ 128,348
Accumulated amortization - finite lived intangible assets	(23,697)	(21,086)
Net carrying amount - finite lived intangible assets	$ 103,903	$ 107,262
Weighted average remaining lives (years)	28 years 6 months	29 years 3 months 18 days

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED) (Parenthetical) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Cash and cash equivalents	$ 4,665,490	$ 5,145,886
Pledged financial instruments	12,087,982	13,059,802
Financial instruments owned, at fair value	16,370,912	16,399,526
Securities purchased under agreements to resell, fair value	25,000	0
Other assets	1,133,783	1,084,554
Other secured financings	1,821,425	881,472
Accrued expenses and other liabilities	1,227,798	1,585,635
Long-term debt at fair value	1,014,509	686,170
Variable Interest Entities		
Cash and cash equivalents	1,151	1,096
Financial instruments owned, at fair value	339	380
Other assets	2	2
Other secured financings	1,820,800	881,472
Accrued expenses and other liabilities	$ 1,306	$ 642

Fair Value Disclosures - Summary of Gains (Losses) Due to Changes in Instrument Specific Credit Risk for Loans and Other Receivables and Loan Commitments Measured at Fair Value under Fair Value Option (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Financial instruments owned:				
Loans and other receivables	$ 2,040	$ 14,002	$ (5,458)	$ 7,495
Long-term debt				
Financial instruments sold, not yet purchased and Long-term debt				
Changes in instrument specific credit risk	6,922	1,401	34,414	19,986
Other changes in fair value	(46,003)	(6,842)	(93,311)	33,626
Loans				
Financial instruments sold, not yet purchased and Long-term debt				
Changes in instrument specific credit risk	0	(2,708)	0	(2,467)
Loan commitments				
Financial instruments sold, not yet purchased and Long-term debt				
Changes in instrument specific credit risk	$ (443)	$ (1,695)	$ (1,200)	$ (1,964)

Derivative Financial Instruments - Remaining Contract Maturity of Fair Value of OTC Derivative Assets and Liabilities (Details) $ in Thousands	Aug. 31, 2019 USD ($)
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	$ 271,599
OTC derivative assets having maturity period of 1 to 5 years	301,036
OTC derivative assets having maturity period of greater than 5 years	187,323
OTC derivative assets cross-maturity netting	(64,292)
Total OTC derivative assets, net of cross-maturity netting	695,666
Cross product counterparty netting	(26,934)
Total OTC derivative assets included in Financial instruments owned	668,732
OTC derivative liabilities having maturity period of 0 to 12 months	237,524
OTC derivative liabilities having maturity period of 1 to 5 years	201,224
OTC derivative liabilities having maturity period of greater than 5 years	162,421
OTC derivative liabilities cross-maturity netting	(64,292)
Total OTC derivative liabilities, net of cross-maturity netting	536,877
Cross product counterparty netting	(26,934)
Total OTC derivative liabilities included in Financial instruments sold, not yet purchased	509,943
Exchange traded derivative assets, with fair value	30,300
Cash collateral received	213,200
Exchange traded derivative liabilities, with fair value	370,800
Cash collateral pledged	318,000
Equity swaps and options	
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	57,345
OTC derivative assets having maturity period of 1 to 5 years	1
OTC derivative assets having maturity period of greater than 5 years	3,579
OTC derivative assets cross-maturity netting	(3,572)
Total OTC derivative assets, net of cross-maturity netting	57,353
OTC derivative liabilities having maturity period of 0 to 12 months	8,679
OTC derivative liabilities having maturity period of 1 to 5 years	123,854
OTC derivative liabilities having maturity period of greater than 5 years	49,873
OTC derivative liabilities cross-maturity netting	(3,572)
Total OTC derivative liabilities, net of cross-maturity netting	178,834
Credit default swaps	
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	887
OTC derivative assets having maturity period of 1 to 5 years	826
OTC derivative assets having maturity period of greater than 5 years	0
OTC derivative assets cross-maturity netting	(81)
Total OTC derivative assets, net of cross-maturity netting	1,632
OTC derivative liabilities having maturity period of 0 to 12 months	35

OTC derivative liabilities having maturity period of 1 to 5 years	6,291
OTC derivative liabilities having maturity period of greater than 5 years	0
OTC derivative liabilities cross-maturity netting	(81)
Total OTC derivative liabilities, net of cross-maturity netting	6,245
Total return swaps	
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	25,166
OTC derivative assets having maturity period of 1 to 5 years	70,022
OTC derivative assets having maturity period of greater than 5 years	0
OTC derivative assets cross-maturity netting	(334)
Total OTC derivative assets, net of cross-maturity netting	94,854
OTC derivative liabilities having maturity period of 0 to 12 months	77,259
OTC derivative liabilities having maturity period of 1 to 5 years	25,160
OTC derivative liabilities having maturity period of greater than 5 years	0
OTC derivative liabilities cross-maturity netting	(334)
Total OTC derivative liabilities, net of cross-maturity netting	102,085
Foreign currency forwards, swaps and options	
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	111,325
OTC derivative assets having maturity period of 1 to 5 years	4,740
OTC derivative assets having maturity period of greater than 5 years	7
OTC derivative assets cross-maturity netting	(3,538)
Total OTC derivative assets, net of cross-maturity netting	112,534
OTC derivative liabilities having maturity period of 0 to 12 months	108,267
OTC derivative liabilities having maturity period of 1 to 5 years	2,758
OTC derivative liabilities having maturity period of greater than 5 years	2,984
OTC derivative liabilities cross-maturity netting	(3,538)
Total OTC derivative liabilities, net of cross-maturity netting	110,471
Fixed income forwards	
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	556
OTC derivative assets having maturity period of 1 to 5 years	0
OTC derivative assets having maturity period of greater than 5 years	0
OTC derivative assets cross-maturity netting	0
Total OTC derivative assets, net of cross-maturity netting	556
OTC derivative liabilities having maturity period of 0 to 12 months	868
OTC derivative liabilities having maturity period of 1 to 5 years	0
OTC derivative liabilities having maturity period of greater than 5 years	0
OTC derivative liabilities cross-maturity netting	0
Total OTC derivative liabilities, net of cross-maturity netting	868
Interest rate swaps, options and forwards	
Derivative [Line Items]	
OTC derivative assets having maturity period of 0 to 12 months	76,320
OTC derivative assets having maturity period of 1 to 5 years	225,447
OTC derivative assets having maturity period of greater than 5 years	183,737
OTC derivative assets cross-maturity netting	(56,767)

Total OTC derivative assets, net of cross-maturity netting	428,737
OTC derivative liabilities having maturity period of 0 to 12 months	42,416
OTC derivative liabilities having maturity period of 1 to 5 years	43,161
OTC derivative liabilities having maturity period of greater than 5 years	109,564
OTC derivative liabilities cross-maturity netting	(56,767)
Total OTC derivative liabilities, net of cross-maturity netting	$ 138,374

Fair Value Disclosures - Level 3 Rollforwards (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Assets:				
Total gains/losses (realized and unrealized)	$ (6,900)	$ 9,800	$ (200)	$ 10,400
Liabilities:				
Total gains/losses (realized and unrealized)	12,800	(4,400)	55,800	26,800
Corporate equity securities				
Assets:				
Beginning Balance	59,307	42,901	51,040	22,009
Total gains/losses (realized and unrealized)	12,542	12,128	16,381	30,098
Purchases	16,508	17,652	23,172	35,993
Sales	(17,502)	(23,010)	(25,431)	(39,008)
Settlements	0	(302)	(669)	(2,082)
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	(20,255)	(1,324)	(13,893)	1,035
Ending Balance	50,600	48,045	50,600	48,045
For instruments still held, changes in unrealized gains/(losses) included in Earnings	12,062	9,468	14,953	25,475
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Liabilities:				
Beginning Balance	221	87	0	48
Total gains/losses (realized and unrealized)	401	326	401	365
Purchases	(221)	0	0	0
Sales	0	0	0	0
Settlements	(190)	0	(190)	0
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	0	0	0	0
Ending Balance	211	413	211	413
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(35)	(326)	(35)	(365)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Corporate debt securities				
Assets:				
Beginning Balance	7,429	28,066	9,484	26,036
Total gains/losses (realized and unrealized)	(3,072)	1,057	(4,904)	1,090
Purchases	1,175	507	6,080	22,204
Sales	(1,942)	(21,403)	(10,544)	(38,553)
Settlements	(85)	(59)	(553)	(2,066)
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	5,783	1,483	9,725	940
Ending Balance	9,288	9,651	9,288	9,651

For instruments still held, changes in unrealized gains/(losses) included in Earnings	(3,047)	(165)	(5,325)	(1,738)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Liabilities:				
Beginning Balance	669	522	522	522
Total gains/losses (realized and unrealized)	(650)	39	(867)	39
Purchases	(34)	0	0	0
Sales	0	0	0	0
Settlements	(369)	996	(524)	996
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	1,586	0	2,071	0
Ending Balance	1,202	1,557	1,202	1,557
For instruments still held, changes in unrealized gains/(losses) included in Earnings	649	(39)	867	(39)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Sovereign obligations				
Liabilities:				
Beginning Balance		0		0
Total gains/losses (realized and unrealized)		3		3
Purchases		(598)		(598)
Sales		629		629
Settlements		0		0
Issuances				
Net transfers into/ (out of) Level 3		21		21
Ending Balance		55		55
For instruments still held, changes in unrealized gains/(losses) included in Earnings		(124)		(124)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income		0		0
CDOs and CLOs				
Assets:				
Beginning Balance	16,195	30,603	25,815	30,004
Total gains/losses (realized and unrealized)	(1,514)	567	(5,892)	(2,323)
Purchases	0	238,281	48,112	242,864
Sales	0	(240,002)	(43,230)	(249,691)
Settlements	0	(2,127)	(275)	(5,859)
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	6,454	(3,721)	(3,395)	8,606
Ending Balance	21,135	23,601	21,135	23,601
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(1,503)	(2,338)	(5,614)	(5,533)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
RMBS				
Assets:				

Beginning Balance	17,266	3,655	19,603	26,077
Total gains/losses (realized and unrealized)	(1,917)	(66)	(2,573)	(7,334)
Purchases	0	72	2,166	2,018
Sales	(65)	(1,597)	(2,022)	(12,621)
Settlements	(22)	(1)	(171)	(6)
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	2,667	2,891	926	(3,180)
Ending Balance	17,929	4,954	17,929	4,954
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(1,435)	90	(2,166)	316
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
CMBS				
Assets:				
Beginning Balance	12,530	27,239	10,886	12,419
Total gains/losses (realized and unrealized)	(2,003)	(222)	(2,196)	(1,236)
Purchases	0	8	11	1,720
Sales	(1,703)	0	(2,023)	(548)
Settlements	(3,362)	(1,156)	(6,638)	(5,415)
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	0	(1,953)	5,422	16,976
Ending Balance	5,462	23,916	5,462	23,916
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(3,143)	(288)	(4,326)	(2,272)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Liabilities:				
Beginning Balance	0	0	0	105
Total gains/losses (realized and unrealized)	0	70	0	(35)
Purchases	0	0	0	0
Sales	35	0	35	0
Settlements	0	0	0	0
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	0	0	0	0
Ending Balance	35	70	35	70
For instruments still held, changes in unrealized gains/(losses) included in Earnings	0	(70)	0	(70)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Other ABS				
Assets:				
Beginning Balance	43,185	55,535	53,175	61,129
Total gains/losses (realized and unrealized)	(1,689)	(2,269)	(929)	(7,528)
Purchases	13,497	307,358	14,698	523,045
Sales	(6,975)	(290,838)	(2,494)	(495,055)
Settlements	(5,500)	(4,356)	(30,623)	(12,281)
Issuances	0	0	0	0

Net transfers into/ (out of) Level 3	(7,920)	3,875	771	(5)
Ending Balance	34,598	69,305	34,598	69,305
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(1,068)	(1,124)	(961)	(3,307)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Loans and other receivables				
Assets:				
Beginning Balance	98,484	64,036	46,985	47,304
Total gains/losses (realized and unrealized)	(2,847)	(1,353)	3,933	(2,812)
Purchases	26,921	14,932	178,069	104,009
Sales	(33,409)	(23,700)	(166,496)	(98,733)
Settlements	(1,287)	(3,453)	(8,379)	(14,610)
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	(12,299)	(1,477)	21,451	13,827
Ending Balance	75,563	48,985	75,563	48,985
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(2,392)	1,007	682	(3,769)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Investments at fair value				
Assets:				
Beginning Balance	103,833	79,488	113,831	93,454
Total gains/losses (realized and unrealized)	(6,407)	0	(3,971)	417
Purchases	240	51	31,583	2,291
Sales	(296)	0	(296)	(17,569)
Settlements	0	0	0	0
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	35,135	0	(8,642)	946
Ending Balance	132,505	79,539	132,505	79,539
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(6,407)	0	(3,971)	(177)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Securities purchased under agreements to resell				
Assets:				
Beginning Balance	25,000		0	
Total gains/losses (realized and unrealized)	0		0	
Purchases	0		0	
Sales	0		0	
Settlements	0		0	
Issuances	0		25,000	
Net transfers into/ (out of) Level 3	0		0	
Ending Balance	25,000		25,000	
For instruments still held, changes in unrealized gains/(losses) included in Earnings	0		0	

For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0		0	
Loans				
Liabilities:				
Beginning Balance	9,428	12,881	6,376	3,486
Total gains/losses (realized and unrealized)	(520)	(148)	(1,342)	(1,059)
Purchases	(10,281)	(4,871)	(8,553)	(15,702)
Sales	5,384	1,787	9,929	19,409
Settlements	0	0	0	0
Issuances	0	0	0	0
Net transfers into/ (out of) Level 3	12,619	(988)	10,220	2,527
Ending Balance	16,630	8,661	16,630	8,661
For instruments still held, changes in unrealized gains/(losses) included in Earnings	531	149	1,583	1,059
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Net derivatives				
Liabilities:				
Beginning Balance	47,449	5,874	21,614	6,746
Total gains/losses (realized and unrealized)	(19,519)	1,107	(48,746)	(1,034)
Purchases	0	0	(2,829)	(6)
Sales	6,766	0	16,313	0
Settlements	(14)	1,990	1,609	2,984
Issuances	0	0	0	296
Net transfers into/ (out of) Level 3	16,081	26	62,802	11
Ending Balance	50,763	8,997	50,763	8,997
For instruments still held, changes in unrealized gains/(losses) included in Earnings	18,507	(2,090)	40,052	(2,660)
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	0	0	0	0
Long-term debt				
Liabilities:				
Beginning Balance	236,562	160,626	200,745	0
Total gains/losses (realized and unrealized)	7,455	3,004	(5,286)	(25,078)
Purchases	0	0	0	0
Sales	0	0	0	0
Settlements	0	0	(11,250)	0
Issuances	114,641	0	204,710	81,284
Net transfers into/ (out of) Level 3	(10,595)		(40,856)	
Ending Balance	348,063	163,630	348,063	163,630
For instruments still held, changes in unrealized gains/(losses) included in Earnings	(8,162)	(2,953)	(4,517)	13,235
For instruments still held, changes in unrealized gains/(losses) included in Other comprehensive income	$ 706	$ (51)	$ 9,804	$ 11,843

Related Party Transactions (Tables)

Related Party Transactions [Abstract]

Schedule of related party transactions

9 Months Ended Aug. 31, 2019

We provide services to and receive services from Jefferies under service agreements (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Charges to Jefferies for services provided	$ 9.8	$ 15.8	$ 36.1	$ 46.1
Charges from Jefferies for services received	6.4	2.2	7.8	6.9

- We provide capital markets and asset management services to Jefferies and its affiliates. The following table presents the revenues earned by type of services provided (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Investment banking	$ 2.4	$ 5.6	$ 10.3	$ 5.6
Commissions and other fees	—	0.1	0.3	0.5
Principal transactions	—	—	—	0.1
Other revenues	1.1	0.3	2.0	0.7

- Receivables from and payables to Jefferies, included in Other assets and Accrued expenses and other liabilities, respectively, in our Consolidated Statements of Financial Condition:

	August 31, 2019	November 30, 2018
Receivable from Jefferies	$ 2.1	$ 1.2
Payable to Jefferies	8.7	2.9

Net gains on our investments in these hedge funds, which are included in Principal transactions revenues in our Consolidated Statements of Earnings (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net gains on our investments	$ 1.0	$ 0.5	$ 3.3	$ 5.0

Income Taxes (Tables)

9 Months Ended
Aug. 31, 2019

Income Tax Disclosure [Abstract]

Earliest Tax Year Subject to Examination in the Major Tax Jurisdictions in which the Company Operates

The table below summarizes the earliest tax years that remain subject to examination in the major tax jurisdictions in which we operate:

Jurisdiction	Tax Year
United States	2016
California	2009
New Jersey	2010
New York State	2001
New York City	2003
United Kingdom	2016
Hong Kong	2013
India	2010
Italy	2012

Collateralized Transactions - Additional Information (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Banking and Thrift [Abstract]		
Fair value of securities received as collateral	$ 31,100,000	$ 23,100,000
Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations	$ 658,335	$ 707,960

Commitments, Contingencies and Guarantees - Guarantees (Details) $ in Millions	Aug. 31, 2019 USD ($)
Derivative contracts—non-credit related	
Guarantee Obligations [Line Items]	
2019	$ 7,075.0
2020	4,115.5
2021 and 2022	4,627.6
2023 and 2024	3,612.0
2025 and Later	320.6
Notional/ Maximum Payout	19,750.7
Written derivative contracts—credit related	
Guarantee Obligations [Line Items]	
2019	0.0
2020	32.9
2021 and 2022	0.0
2023 and 2024	39.2
2025 and Later	0.0
Notional/ Maximum Payout	72.1
Total derivative contracts	
Guarantee Obligations [Line Items]	
2019	7,075.0
2020	4,148.4
2021 and 2022	4,627.6
2023 and 2024	3,651.2
2025 and Later	320.6
Notional/ Maximum Payout	$ 19,822.8

Segment Reporting - Net Revenues by Geographic Region (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Revenues:				
Net revenues	$ 777,159	$ 777,615	$ 2,364,728	$ 2,421,418
Americas				
Revenues:				
Net revenues	613,400	639,700	1,871,300	2,042,400
Europe				
Revenues:				
Net revenues	136,900	115,900	413,600	313,400
Asia				
Revenues:				
Net revenues	$ 26,900	$ 22,000	$ 79,800	$ 65,600

Variable Interest Entities - Assets and Liabilities of Consolidated VIEs Prior to Consolidation (Details) - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Securitization Vehicles		
Variable Interest Entity [Line Items]		
Total assets	$ 1,822.1	$ 883.1
Total liabilities	1,822.1	883.1
Secured financing included in inventory and eliminated		1.0
Securitization Vehicles | Cash		
Variable Interest Entity [Line Items]		
Total assets	0.0	0.0
Securitization Vehicles | Financial instruments owned		
Variable Interest Entity [Line Items]		
Total assets	0.0	0.0
Securitization Vehicles | Securities purchased under agreement to resell		
Variable Interest Entity [Line Items]		
Total assets	1,822.1	883.1
Securitization Vehicles | Other secured financings		
Variable Interest Entity [Line Items]		
Total liabilities	1,820.8	882.5
Securitization Vehicles | Other liabilities		
Variable Interest Entity [Line Items]		
Total liabilities	1.3	0.6
Other		
Variable Interest Entity [Line Items]		
Total assets	1.5	1.5
Total liabilities	0.2	0.2
Other | Cash		
Variable Interest Entity [Line Items]		
Total assets	1.2	1.1
Other | Financial instruments owned		
Variable Interest Entity [Line Items]		
Total assets	0.3	0.4
Other | Securities purchased under agreement to resell		
Variable Interest Entity [Line Items]		
Total assets	0.0	0.0
Other | Other secured financings		
Variable Interest Entity [Line Items]		
Total liabilities	0.0	0.0
Other | Other liabilities		
Variable Interest Entity [Line Items]		
Total liabilities	$ 0.2	$ 0.2

Short-Term Borrowings	9 Months Ended Aug. 31, 2019

Debt Disclosure [Abstract]

Short-Term Borrowings

Short-Term Borrowings

Short-term borrowings at August 31, 2019 and November 30, 2018 include the following and mature in one year or less (in thousands):

	August 31, 2019	November 30, 2018
Bank loans	$ 518,914	$ 330,942
Floating rate puttable notes	—	56,550
Total short-term borrowings	$ 518,914	$ 387,492

At August 31, 2019, the weighted average interest rate on short-term borrowings outstanding is 3.42% per annum. Average daily short-term borrowings outstanding were $496.5 million and $580.8 million for the three and nine months ended August 31, 2019, respectively, $422.9 million and $498.6 million for the three and nine months ended August 31, 2018, respectively.

Our floating rate puttable notes with a principal amount of €50.0 million matured on July 29, 2019.

On March 28, 2019, we entered into a promissory note with Jefferies Finance, which was repaid on May 15, 2019. For further information on this promissory note, refer to Note 9, Investments.

On December 27, 2018, one of our subsidiaries entered into a credit facility agreement (“Credit Facility”) with JPMorgan Chase Bank, N.A. for a committed amount of $135.0 million, which is included in bank loans. Interest is based on an annual alternative base rate or an adjusted London Interbank Offered Rate (“LIBOR”), as defined in the Credit Facility. The Credit Facility contains certain covenants that, among other things, require Jefferies Group LLC to maintain a specified level of tangible net worth. The covenants also require the borrower to maintain specified leverage amounts and impose certain restrictions on the borrower’s future indebtedness. During the nine months ended August 31, 2019, we were in compliance with all debt covenants under the Credit Facility.

The Bank of New York Mellon has agreed to make revolving intraday credit advances (“Intraday Credit Facility”) for an aggregate committed amount of $150.0 million. The Intraday Credit Facility contains financial covenants, which include a minimum regulatory net capital requirement for Jefferies LLC. Interest is based on the higher of the Federal funds effective rate plus 0.5% or the prime rate. At August 31, 2019, we were in compliance with debt covenants under the Intraday Credit Facility.

Income Taxes	9 Months Ended Aug. 31, 2019
Income Tax Disclosure [Abstract]	
Income Taxes	

Income Taxes

At August 31, 2019 and November 30, 2018, we had approximately $126.2 million and $125.6 million, respectively, of total gross unrecognized tax benefits. The total amount of unrecognized benefits that, if recognized, would favorably affect the effective tax rate was $99.8 million and $99.4 million (net of Federal benefit) at August 31, 2019 and November 30, 2018, respectively.

We recognize interest accrued related to unrecognized tax benefits in Interest expense. Penalties, if any, are recognized in Other expenses in our Consolidated Statements of Earnings. At August 31, 2019 and November 30, 2018, we had interest accrued of approximately $53.9 million and $49.3 million, respectively, included in Accrued expenses and other liabilities. No penalties were accrued for the nine months ended August 31, 2019 and the year ended November 30, 2018.

We are currently under examination in a number of major tax jurisdictions. Though we do not expect that the resolution of these examinations will have a material effect on our consolidated financial position, they may have a material impact on our consolidated results of operations for the period in which the resolution occurs.

The table below summarizes the earliest tax years that remain subject to examination in the major tax jurisdictions in which we operate:

Jurisdiction	Tax Year
United States	2016
California	2009
New Jersey	2010
New York State	2001
New York City	2003
United Kingdom	2016
Hong Kong	2013
India	2010
Italy	2012

During the quarter ended February 28, 2019, we increased the provisional tax charge that had been recorded during the year ended November 30, 2018 by $0.2 million resulting in a total tax charge of $165.3 million, as a result of the Tax Act. Of this amount, $112.7 million related to the write down of our deferred tax asset, reflecting the impact of a lower federal tax rate of 21% on our deferred tax items. The remaining part of the charge related to the transition tax on the deemed repatriation of unremitted foreign earnings. The measurement period as permitted by Staff Accounting Bulletin No. 118, which was issued by SEC staff on December 22, 2017, was closed during the quarter ended February 28, 2019 and we have completed our accounting as it relates to the Tax Act.

The new tax on global intangible low-taxed income ("GILTI"), became applicable in fiscal 2019. As a result, we made an accounting policy election in the first quarter of 2019 to treat GILTI as a period cost if and when incurred.

For the nine months ended August 31, 2019, the provision for income taxes was $79.8 million, equating to an effective tax rate of 26.5%. For the nine months ended August 31, 2018, the provision for income taxes was $234.3 million, equating to an effective tax rate of 70.6%. The provision for income taxes for the nine months ended August 31, 2018 included a $160.2 million provisional tax charge related to the enactment of the Tax Act.

Related Party Transactions	9 Months Ended Aug. 31, 2019
Related Party Transactions [Abstract]	
Related Party Transactions	

Related Party Transactions

Officers, Directors and Employees. The following sets forth information regarding related party transactions with our officers, directors and employees:

- At August 31, 2019 and November 30, 2018, we had $34.9 million and $39.3 million, respectively, of loans outstanding to certain of our officers and employees (none of whom are executive officers or directors) that are included in Other assets in our Consolidated Statements of Financial Condition.

- Receivables from and payables to customers include balances arising from officers', directors' and employees' individual security transactions. These transactions are subject to the same regulations as all customer transactions and are provided on substantially the same terms.

- One of our directors has investments in a hedge fund managed by us of approximately $3.6 million and $4.6 million at August 31, 2019 and November 30, 2018, respectively.

See Note 8, Variable Interest Entities, and Note 16, Commitments, Contingencies and Guarantees, for further information regarding related party transactions with our officers, directors and employees.

Jefferies. The following is a description of related party transactions with Jefferies and its affiliates:

- We provide services to and receive services from Jefferies under service agreements (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Charges to Jefferies for services provided	$ 9.8	$ 15.8	$ 36.1	$ 46.1
Charges from Jefferies for services received	6.4	2.2	7.8	6.9

- We provide capital markets and asset management services to Jefferies and its affiliates. The following table presents the revenues earned by type of services provided (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Investment banking	$ 2.4	$ 5.6	$ 10.3	$ 5.6
Commissions and other fees	—	0.1	0.3	0.5
Principal transactions	—	—	—	0.1
Other revenues	1.1	0.3	2.0	0.7

- Receivables from and payables to Jefferies, included in Other assets and Accrued expenses and other liabilities, respectively, in our Consolidated Statements of Financial Condition:

	August 31, 2019	November 30, 2018
Receivable from Jefferies	$ 2.1	$ 1.2
Payable to Jefferies	8.7	2.9

- During the nine months ended August 31, 2019, we paid distributions of $108.7 million to Jefferies, based on our results for the nine months ended May 31, 2019. In addition, on January 29, 2019, our Board of Directors approved a distribution of $100.0 million to Jefferies, which was paid on January 30, 2019. At August 31, 2019, we have accrued a distribution payable of $32.5 million based on our results for the three months ended August 31, 2019.

- Pursuant to a tax sharing agreement entered into between us and Jefferies, payments are made

between us and Jefferies to settle current tax receivables and payables. At August 31, 2019, a net current tax receivable of $5.6 million is included in Other assets, and at November 30, 2018, a net current tax payable to Jefferies of $34.1 million is included in Accrued expenses and other liabilities, in our Consolidated Statements of Financial Condition. In December 2018, we made a payment of $35.0 million to Jefferies, which reduced the cumulative net current tax payable balance.

- During the three and nine months ended August 31, 2019, we sold securities at fair value totaling $22.9 million and $40.8 million, respectively, to Jefferies. In addition, during the nine months ended August 31, 2019, we purchased securities totaling $885.6 million from Jefferies, at fair value. There were no gains or losses on these transactions.
- We entered into a foreign exchange prime brokerage agreement with an affiliate of Jefferies in 2017. In connection with the foreign exchange contracts entered into under this agreement we have $22.7 million and $9.9 million at August 31, 2019 and November 30, 2018, respectively, included in Payables— brokers, dealers and clearing organizations and $0.2 million at August 31, 2019 in Financial instruments sold, not yet purchased, at fair value, in our Consolidated Statements of Financial Condition.
- Two of our directors have investments totaling $2.5 million and $2.7 million at August 31, 2019 and November 30, 2018, respectively, in a hedge fund managed by Jefferies.
- We have investments in hedge funds managed by Jefferies of $222.1 million and $218.7 million at August 31, 2019 and November 30, 2018, respectively, included in Financial instruments owned, at fair value in our Consolidated Statements of Financial Condition. Net gains on our investments in these hedge funds, which are included in Principal transactions revenues in our Consolidated Statements of Earnings (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net gains on our investments	$ 1.0	$ 0.5	$ 3.3	$ 5.0

- In connection with our sales and trading activities, from time to time we make a market in long-term debt securities of Jefferies (*i.e.*, we buy and sell debt securities issued by Jefferies). At August 31, 2019 and November 30, 2018, approximately $3.1 million and $0.3 million, respectively, of debt issued by Jefferies are included in Financial instruments owned, at fair value, in our Consolidated Statements of Financial Condition.

HRG Group Inc. ("HRG"). We recognized investment banking revenues of $3.0 million for the three and nine months ended August 31, 2018 in connection with the merger of HRG into Spectrum Brands Holdings, Inc., which is partially owned by Jefferies.

For information on transactions with our equity method investees, see Note 9, Investments.

Accounting Changes and Error Corrections [Abstract]

Accounting Developments

Accounting Developments

Accounting Standards to be Adopted in Future Periods

Consolidation. In October 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-17, Consolidation: Targeted Improvements to Related Party Guidance for Variable Interest Entities. The guidance requires indirect interests held through related parties under common control arrangements be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Internal-Use Software. In August 2018, the FASB issued ASU No. 2018-15, Intangibles—Goodwill and Other—Internal-Use Software: Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract. The guidance amends the definition of a hosting arrangement and requires that the customer in a hosting arrangement that is a service contract capitalize certain implementation costs as if the arrangement was an internal-use software project. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Defined Benefit Plans. In August 2018, the FASB issued ASU No. 2018-14, Compensation—Retirement Benefits—Defined Benefit Plans—General: Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans. The objective of the guidance is to improve the effectiveness of disclosure requirements on defined benefit pension plans and other postretirement plans. The guidance is effective in the first quarter of fiscal 2021. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Derivatives and Hedging. In August 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities. The objective of the guidance is to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements. The guidance is effective in the first quarter of fiscal 2020. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Goodwill. In January 2017, the FASB issued ASU No. 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies goodwill impairment testing. The guidance is effective in the first quarter of fiscal 2021. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Financial Instruments—Credit Losses. In June 2016, the FASB issued ASU No. 2016-13, Measurement of Credit Losses on Financial Instruments. The guidance provides for estimating credit losses on certain types of financial instruments by introducing an approach based on expected losses. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Leases. In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). The guidance affects the accounting for leases and provides for a lessee model that brings substantially all leases that are longer than one year onto the balance sheet, which will result in the recognition of a right of use asset and a corresponding lease liability. The right of use asset and lease liability will be measured initially using the present value of the remaining rental payments. The population of contracts that will be subject to recognition on our Consolidated Statements of Financial Condition has been identified; however, the initial measurement of the contracts still remains under evaluation. We are currently modifying our lease accounting systems to enable us to comply with the accounting requirements of this guidance. In July 2018, the FASB issued ASU No. 2018-11, Leases: Targeted Improvements. The guidance allows an entity to recognize a cumulative-effect adjustment to the opening balance of retained earnings upon adoption of ASU 2016-02. We plan on adopting both lease ASUs in the first quarter of fiscal 2020 with a cumulative-effect adjustment to opening member's equity in the period of adoption. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Securitization Activities	9 Months Ended Aug. 31, 2019

Transfers and Servicing [Abstract]

Securitization Activities

Securitization Activities

We engage in securitization activities related to corporate loans, commercial mortgage loans, consumer loans and mortgage-backed and other asset-backed securities. In our securitization transactions, we transfer these assets to special purpose entities ("SPEs") and act as the placement or structuring agent for the beneficial interests sold to investors by the SPE. A significant portion of our securitization transactions are the securitization of assets issued or guaranteed by U.S. government agencies. These SPEs generally meet the criteria of VIEs; however, we generally do not consolidate the SPEs as we are not considered the primary beneficiary for these SPEs. See Note 8, Variable Interest Entities, for further discussion on VIEs and our determination of the primary beneficiary.

We account for our securitization transactions as sales, provided we have relinquished control over the transferred assets. Transferred assets are carried at fair value with unrealized gains and losses reflected in Principal transactions revenues in our Consolidated Statements of Earnings prior to the identification and isolation for securitization. Subsequently, revenues recognized upon securitization are reflected as net underwriting revenues. We generally receive cash proceeds in connection with the transfer of assets to an SPE. We may, however, have continuing involvement with the transferred assets, which is limited to retaining one or more tranches of the securitization (primarily senior and subordinated debt securities in the form of mortgage- and other-asset backed securities or CLOs). These securities are included in Financial instruments owned, at fair value in our Consolidated Statements of Financial Condition and are generally initially categorized as Level 2 within the fair value hierarchy. For further information on fair value measurements and the fair value hierarchy, refer to Note 4, Fair Value Disclosures, herein, and Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2018.

The following table presents activity related to our securitizations that were accounted for as sales in which we had continuing involvement (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Transferred assets	$ 789.3	$ 1,865.5	$ 2,894.4	$ 5,665.9
Proceeds on new securitizations	789.3	1,866.2	2,966.3	5,668.6
Cash flows received on retained interests	16.8	17.2	47.2	35.7

We have no explicit or implicit arrangements to provide additional financial support to these SPEs, have no liabilities related to these SPEs and do not have any outstanding derivative contracts executed in connection with these securitization activities at August 31, 2019 and November 30, 2018.

The following tables summarize our retained interests in SPEs where we transferred assets and have continuing involvement and received sale accounting treatment (in millions):

	August 31, 2019		November 30, 2018	
Securitization Type	Total Assets	Retained Interests	Total Assets	Retained Interests
U.S. government agency RMBS	$ 11,351.8	$ 123.8	$ 13,633.5	$ 365.3
U.S. government agency CMBS	1,374.9	48.4	2,027.6	185.6
CLOs	3,430.0	29.8	3,512.0	20.9
Consumer and other loans	975.0	56.8	604.1	48.9

Total assets represent the unpaid principal amount of assets in the SPEs in which we have continuing involvement and are presented solely to provide information regarding the size of the transactions and the size of the underlying assets supporting our retained interests, and are not considered representative of the risk of potential loss. Assets retained in connection with a securitization transaction represent the fair value

of the securities of one or more tranches issued by an SPE, including senior and subordinated tranches. Our risk of loss is limited to this fair value amount which is included in total Financial instruments owned in our Consolidated Statements of Financial Condition.

Although not obligated, in connection with secondary market-making activities we may make a market in the securities issued by these SPEs. In these market-making transactions, we buy these securities from and sell these securities to investors. Securities purchased through these market-making activities are not considered to be continuing involvement in these SPEs. To the extent we purchased securities through these market-making activities and we are not deemed to be the primary beneficiary of the VIE, these securities are included in agency and non-agency mortgage- and asset-backed securitizations in the nonconsolidated VIEs section presented in Note 8, Variable Interest Entities.

Revenues from Contracts with Customers (Tables)

Revenue from Contract with Customer [Abstract]

Disaggregation of Revenue

9 Months Ended Aug. 31, 2019

The following presents our revenues from contracts with customers disaggregated by major business activity and primary geographic regions (in thousands):

	Three Months Ended August 31,						Nine Months Ended August 31,					
	2019			2018			2019			2018		
	Reportable Segment			Reportable Segment			Reportable Segment			Reportable Segment		
	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total	Capital Markets	Asset Management	Total
Major business activity:												
Equities (1)	$167,528	$ —	$167,528	$159,693	$ —	$159,693	$ 483,771	$ —	$ 483,771	$ 471,683	$ —	$ 471,683
Fixed income (1)	3,475	—	3,475	3,007	—	3,007	10,072	—	10,072	10,511	—	10,511
Investment banking - Capital markets	199,183	—	199,183	277,735	—	277,735	555,830	—	555,830	809,884	—	809,884
Investment banking - Advisory	213,350	—	213,350	187,591	—	187,591	572,386	—	572,386	595,730	—	595,730
Asset management	—	3,340	3,340	—	5,184	5,184	—	14,559	14,559	—	16,130	16,130
Total	$583,536	$ 3,340	$586,876	$628,026	$ 5,184	$633,210	$1,622,059	$ 14,559	$1,636,618	$1,887,808	$ 16,130	$1,903,938
Primary geographic region:												
Americas	$476,983	$ 1,937	$478,920	$546,219	$ 5,184	$551,403	$1,288,046	$ 8,818	$1,296,864	$1,628,503	$ 16,130	$1,644,633
Europe	88,890	1,403	90,293	62,914	—	62,914	280,605	5,741	286,346	203,103	—	203,103
Asia	17,663	—	17,663	18,893	—	18,893	53,408	—	53,408	56,202	—	56,202
Total	$583,536	$ 3,340	$586,876	$628,026	$ 5,184	$633,210	$1,622,059	$ 14,559	$1,636,618	$1,887,808	$ 16,130	$1,903,938

(1)
Revenues from contracts with customers associated with the equities and fixed income businesses primarily represent commissions and other fee revenue.

The following table presents our total revenues separated for our revenues from contracts with customers and our other sources of revenues (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Revenues from contracts with customers:				
Commissions and other fees (1)	$ 171,003	$ 162,700	$ 493,843	$ 482,194
Investment banking	412,533	465,326	1,128,216	1,405,614
Asset management fees	3,340	5,184	14,559	16,130
Total revenue from contracts with customers	586,876	633,210	1,636,618	1,903,938
Other sources of revenue:				
Principal transactions	148,873	143,308	632,002	498,583
Interest	383,596	305,347	1,163,022	870,490
Other	22,286	6,420	79,354	58,678
Total revenues	$ 1,141,631	$ 1,088,285	$ 3,510,996	$ 3,331,689

(1)
During the third quarter of 2019, we have reclassified the presentation of certain other fees, primarily related to prime brokerage services offered to clients. These fees were previously presented as Other revenues in our Consolidated Statements of Earnings and are now presented within Commissions and other fees. There is no impact on Total revenues as a result of this change in presentation. Previously reported results are presented on a comparable basis.

Investments (Tables)

9 Months Ended Aug. 31, 2019

Equity Method Investments and Joint Ventures [Abstract]

Summary of Selected Financial Information

The following summarizes the results from these investments which are included in Principal transactions revenues in our Consolidated Statements of Earnings (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net gains (losses) from our investments in JCP Fund V	$ (2.5)	$ 0.3	$ (1.9)	$ 10.1

The following summarizes the activity included in our Consolidated Statements of Earnings related to the facility (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Interest income	$ —	$ —	$ —	$ 1.2
Unfunded commitment fees	0.3	0.3	0.9	0.8

The following is a summary of selected financial information for Jefferies Finance (in millions):

	August 31, 2019	November 30, 2018
Our total equity balance	$ 635.5	$ 694.8

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Net earnings (loss)	$ (16.3)	$ 38.0	$ 31.5	$ 140.7

The following summarizes activity related to our other transactions with Jefferies Finance (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Origination and syndication fee revenues (1)	$ 44.6	$ 71.1	$ 135.8	$ 282.1
Origination fee expenses (1)	8.2	12.1	21.8	45.5
CLO placement fee revenues (2)	1.0	0.4	2.3	3.1
Derivative losses (3)	—	(0.3)	—	(0.9)
Underwriting fees (4)	2.9	—	3.9	0.3
Service fees (5)	12.3	13.3	50.6	48.3

(1) We engage in debt capital markets transactions with Jefferies Finance related to the originations and syndications of loans by Jefferies Finance. In connection with such services, we earned fees, which are recognized in Investment banking revenues in our Consolidated Statements of Earnings. In addition, we paid fees to Jefferies Finance in respect of certain loans originated by Jefferies Finance, which are recognized as Business development expenses in our Consolidated Statements of Earnings.

(2) We act as a placement agent for CLOs managed by Jefferies Finance, for which we recognized fees, which are included in Investment banking revenues in our Consolidated Statements of Earnings. At August 31, 2019 and November 30, 2018, we held securities issued by CLOs managed by Jefferies Finance, which are included in Financial instruments owned, at fair value.

(3) We have entered into participation agreements and derivative contracts with Jefferies Finance based upon certain securities issued by CLOs and we have recognized gains (losses) relating to the derivative contracts.

(4) We acted as underwriter in connection with term loans issued by Jefferies Finance.

(5) Under a service agreement, we charge Jefferies Finance for services provided.

The following is a summary of the Net change in net assets resulting from operations for 100.0% of JCP Fund V, in which we owned effectively 35.2% of the combined equity interests (in thousands):

	Three Months Ended					
	June 30, 2019 (1)	March 31, 2019 (1)	December 31, 2018 (1)	June 30, 2018 (1)	March 31, 2018 (1)	December 31, 2017 (1)
Net increase (decrease) in net assets resulting from operations	$ (7,174)	$ (1,169)	$ (8,412)	$ 1,663	$ 8,463	$ 19,712

(1) Financial information for JCP Fund V within our results of operations for the three and nine months ended August 31, 2019 and 2018 is included based on the presented periods.

The following is a summary of selected financial information for Berkadia (in millions):

	August 31, 2019	November 30, 2018
Our total equity balance	$ 270.5	$ 245.2

	Three Months Ended August 31, 2019	Nine Months Ended August 31, 2019
Net earnings	$ 53.8	$ 160.3

Derivative Financial Instruments (Tables)

9 Months Ended Aug. 31, 2019

Derivative Instruments and Hedging Activities Disclosure [Abstract]

Fair Value and Related Number of Derivative Contracts Categorized by Type of Derivative Contract

The following tables present the fair value and related number of derivative contracts at August 31, 2019 and November 30, 2018 categorized by type of derivative contract and the platform on which these derivatives are transacted. The fair value of assets/liabilities represents our receivable/payable for derivative financial instruments, gross of counterparty netting and cash collateral received and pledged. The following tables also provide information regarding 1) the extent to which, under enforceable master netting arrangements, such balances are presented net in our Consolidated Statements of Financial Condition as appropriate under U.S. GAAP and 2) the extent to which other rights of setoff associated with these arrangements exist and could have an effect on our financial position (in thousands, except contract amounts).

	August 31, 2019 (1)			
	Assets		Liabilities	
	Fair Value	Number of Contracts (2)	Fair Value	Number of Contracts (2)
Derivatives designated as accounting hedges:				
Interest rate contracts:				
Cleared OTC	$ 38,588	1	$ —	—
Total derivatives designated as accounting hedges	38,588		—	
Derivatives not designated as accounting hedges:				
Interest rate contracts:				
Exchange-traded	1,766	39,912	873	45,448
Cleared OTC	863,437	3,335	903,989	3,947
Bilateral OTC	539,158	1,865	241,817	474
Foreign exchange contracts:				
Exchange-traded	—	191	—	87
Bilateral OTC	550,737	8,564	548,854	8,319
Equity contracts:				
Exchange-traded	741,307	1,998,268	1,091,142	1,611,110
Bilateral OTC	228,415	4,073	357,356	4,428
Commodity contracts:				
Exchange-traded	1,418	9,523	—	6,239
Credit contracts:				
Cleared OTC	5,210	12	7,988	16
Bilateral OTC	10,183	34	9,993	21
Total derivatives not designated as accounting hedges	2,941,631		3,162,012	
Total gross derivative assets/ liabilities:				
Exchange-traded	744,491		1,092,015	
Cleared OTC	907,235		911,977	
Bilateral OTC	1,328,493		1,158,020	
Amounts offset in our Consolidated Statements of Financial Condition (3):				
Exchange-traded	(723,158)		(723,158)	
Cleared OTC	(871,162)		(881,963)	
Bilateral OTC	(900,155)		(994,085)	
Net amounts per Consolidated Statements of Financial Condition (4)	$ 485,744		$ 562,806	

(1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.

(2) Number of exchange traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations in our Consolidated Statements of Financial Condition.

(3) Amounts netted include both netting by counterparty and for cash collateral paid or received.

(4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

	November 30, 2018 (1)			
	Assets		Liabilities	
	Fair Value	Number of Contracts (2)	Fair Value	Number of Contracts (2)
Derivatives designated as accounting hedges:				
Interest rate contracts:				
Cleared OTC	$ —	—	$ 29,647	1
Total derivatives designated as accounting hedges	—		29,647	
Derivatives not designated as accounting hedges:				
Interest rate contracts:				
Exchange-traded	924	32,159	513	66,095
Cleared OTC	422,670	2,095	411,833	2,394
Bilateral OTC	372,899	1,398	491,697	816
Foreign exchange contracts:				
Exchange-traded	42	538	2	690
Cleared OTC	—	—	36	3
Bilateral OTC	311,228	9,548	314,951	9,909
Equity contracts:				
Exchange-traded	1,202,927	2,104,684	2,061,137	1,779,836
Bilateral OTC	207,221	5,126	315,996	2,764
Commodity contracts:				
Exchange-traded	213	3,927	270	4,012
Credit contracts:				
Cleared OTC	11,204	7	1,556	14
Bilateral OTC	13,768	123	11,618	79
Total derivatives not designated as accounting hedges	2,543,096		3,609,609	
Total gross derivative assets/liabilities:				
Exchange-traded	1,204,106		2,061,922	
Cleared OTC	433,874		443,072	
Bilateral OTC	905,116		1,134,262	
Amounts offset in our Consolidated Statements of Financial Condition (3):				
Exchange-traded	(1,190,951)		(1,190,951)	
Cleared OTC	(407,351)		(418,779)	
Bilateral OTC	(814,184)		(901,875)	
Net amounts per Consolidated Statements of Financial Condition (4)	$ 130,610		$ 1,127,651	

(1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and

cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.

(2) Number of exchange traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations in our Consolidated Statements of Financial Condition.

(3) Amounts netted include both netting by counterparty and for cash collateral paid or received.

(4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

Unrealized and Realized Gains (Losses) on Derivative Contracts

The following table provides information related to gains (losses) recognized in Interest expense in our Consolidated Statements of Earnings on a fair value hedge (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
Gains (Losses)	2019	2018	2019	2018
Interest rate swaps	$ 28,052	$ (1,161)	$ 69,843	$ (22,363)
Long-term debt	(28,519)	1,221	(72,288)	24,055
Total	$ (467)	$ 60	$ (2,445)	$ 1,692

The following table presents unrealized and realized gains (losses) on derivative contracts recognized in Principal transactions revenues in our Consolidated Statements of Earnings, which are utilized in connection with our client activities and our economic risk management activities (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
Gains (Losses)	2019	2018	2019	2018
Interest rate contracts	$ (89,864)	$ 13,951	$ (193,715)	$ 36,053
Foreign exchange contracts	(3,022)	(4,421)	(1,604)	6,207
Equity contracts	2,236	1,807	(118,354)	(215,232)
Commodity contracts	3,400	281	4,775	3,025
Credit contracts	2,687	620	11,600	3,026
Total	$ (84,563)	$ 12,238	$ (297,298)	$ (166,921)

Remaining Contract Maturity of Fair Value of OTC Derivative Assets and Liabilities

The following tables set forth by remaining contract maturity the fair value of OTC derivative assets and liabilities at August 31, 2019 (in thousands):

	OTC Derivative Assets (1) (2) (3)				
	0 – 12 Months	1 – 5 Years	Greater Than 5 Years	Cross-Maturity Netting (4)	Total
Equity swaps and options	$ 57,345	$ 1	$ 3,579	$ (3,572)	$ 57,353
Credit default swaps	887	826	—	(81)	1,632
Total return swaps	25,166	70,022	—	(334)	94,854
Foreign currency forwards, swaps and options	111,325	4,740	7	(3,538)	112,534
Fixed income forwards	556	—	—	—	556
Interest rate swaps, options and forwards	76,320	225,447	183,737	(56,767)	428,737
Total	$ 271,599	$ 301,036	$ 187,323	$ (64,292)	695,666
Cross product counterparty netting					(26,934)
Total OTC derivative assets included in Financial instruments owned					$ 668,732

(1) At August 31, 2019, we held net exchange-traded derivative assets and other credit agreements with a fair value of $30.3 million, which are not included in this table.

(2) OTC derivative assets in the table above are gross of collateral received. OTC derivative assets are recorded net of collateral received in our Consolidated Statements of Financial Condition. At August 31, 2019, cash collateral received was $213.2 million.
(3) Derivative fair values include counterparty netting within product category.
(4) Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

	OTC Derivative Liabilities (1) (2) (3)				
	0 – 12 Months	1 – 5 Years	Greater Than 5 Years	Cross-Maturity Netting (4)	Total
Equity swaps and options	$ 8,679	$ 123,854	$ 49,873	$ (3,572)	$ 178,834
Credit default swaps	35	6,291	—	(81)	6,245
Total return swaps	77,259	25,160	—	(334)	102,085
Foreign currency forwards, swaps and options	108,267	2,758	2,984	(3,538)	110,471
Fixed income forwards	868	—	—	—	868
Interest rate swaps, options and forwards	42,416	43,161	109,564	(56,767)	138,374
Total	$ 237,524	$ 201,224	$ 162,421	$ (64,292)	536,877
Cross product counterparty netting					(26,934)
Total OTC derivative liabilities included in Financial instruments sold, not yet purchased					$ 509,943

(1) At August 31, 2019, we held net exchange-traded derivative liabilities and other credit agreements with a fair value of $370.8 million, which are not included in this table.
(2) OTC derivative liabilities in the table above are gross of collateral pledged. OTC derivative liabilities are recorded net of collateral pledged in our Consolidated Statements of Financial Condition. At August 31, 2019, cash collateral pledged was $318.0 million.
(3) Derivative fair values include counterparty netting within product category.
(4)
Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

Counterparty Credit Quality with Respect to Fair Value of OTC Derivatives Assets

The following table presents the counterparty credit quality with respect to the fair value of our OTC derivative assets at August 31, 2019 (in thousands):

Counterparty credit quality (1):	
A- or higher	$ 146,495
BBB- to BBB+	42,072
BB+ or lower	275,252
Unrated	204,913
Total	$ 668,732

(1)
We utilize internal credit ratings determined by our Risk Management department. Credit ratings determined by Risk Management use methodologies that produce ratings generally consistent with those produced by external rating agencies.

Credit Related Derivative Contracts

The external credit ratings of the underlyings or referenced assets for our written credit related derivative contracts (in millions):

	August 31, 2019			
	External Credit Rating			
	Investment Grade	Non-investment Grade	Unrated	Total Notional
Credit protection sold:				
Index credit default swaps	$ —	$ 96.8	$ —	$ 96.8

Single name credit default swaps	7.6	31.6	32.9	72.1

	November 30, 2018			
	External Credit Rating			
	Investment Grade	Non-investment Grade	Unrated	Total Notional
Credit protection sold:				
Index credit default swaps	$ 25.7	$ 167.4	$ —	$ 193.1
Single name credit default swaps	57.7	84.5	3.0	145.2

Derivative Instruments with Contingent Features

The following table presents the aggregate fair value of all derivative instruments with such credit-risk-related contingent features that are in a liability position, the collateral amounts we have posted or received in the normal course of business and the potential collateral we would have been required to return and/or post additionally to our counterparties if the credit -risk-related contingent features underlying these agreements were triggered (in millions):

	August 31, 2019	November 30, 2018
Derivative instrument liabilities with credit-risk-related contingent features	$ 113.7	$ 93.5
Collateral posted	(80.0)	(61.5)
Collateral received	57.0	91.5
Return of and additional collateral required in the event of a credit rating downgrade below investment grade (1)	90.6	123.3

(1) These potential outflows include initial margin received from counterparties at the execution of the derivative contract. The initial margin will be returned if counterparties elect to terminate the contract after a downgrade.

Fair Value Disclosures - Additional Information (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended		
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Nov. 30, 2018
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3	$ 79,000	$ 13,600	$ 60,200	$ 49,100	
Transfers of assets from Level 3 to Level 2	69,400	13,800	47,800	10,000	
Transfers of liabilities from Level 2 to Level 3	43,500		98,300		
Transfers of liabilities from Level 3 to Level 2	23,800		64,100		
Net gains/(losses) on Level 3 assets (realized and unrealized)	(6,900)	9,800	(200)	10,400	
Net gains/(losses) on Level 3 liabilities (realized and unrealized)	12,800	(4,400)	55,800	26,800	
Aggregate fair value of loans and other receivables on nonaccrual status and/or 90 days or greater past due	113,400		113,400		$ 105,300
Loans and other receivables greater than 90 days past due	31,900		31,900		19,400
Cash and securities segregated and on deposit for regulatory purposes with clearing and depository organizations	658,335		658,335		707,960
Investments at fair value					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3	35,100				
Transfers of assets from Level 3 to Level 2			8,600		
Net gains/(losses) on Level 3 assets (realized and unrealized)	(6,407)	0	(3,971)	417	
Loans and other receivables					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3	23,700		30,600	15,300	
Transfers of assets from Level 3 to Level 2	36,000		9,200		
Net gains/(losses) on Level 3 assets (realized and unrealized)	(2,847)	(1,353)	3,933	(2,812)	
Corporate equity securities					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 3 to Level 2	22,100	2,600	14,800	2,500	
Net gains/(losses) on Level 3 assets (realized and unrealized)	12,542	12,128	16,381	30,098	
Net gains/(losses) on Level 3 liabilities (realized and unrealized)	401	326	401	365	
Corporate debt securities					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3			10,500		
Net gains/(losses) on Level 3 assets (realized and unrealized)	(3,072)	1,057	(4,904)	1,090	
Net gains/(losses) on Level 3 liabilities (realized and unrealized)	(650)	39	(867)	39	
Net derivatives					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of liabilities from Level 2 to Level 3	17,600		64,500		
Net gains/(losses) on Level 3 liabilities (realized and unrealized)	(19,519)	1,107	(48,746)	(1,034)	
Loans					

Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of liabilities from Level 2 to Level 3	13,300				
Structured Notes					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of liabilities from Level 2 to Level 3	11,000		20,800		
Transfers of liabilities from Level 3 to Level 2	21,600		61,700		
CMBS					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3		2,600		17,000	
Transfers of assets from Level 3 to Level 2		4,600			
Net gains/(losses) on Level 3 assets (realized and unrealized)	(2,003)	(222)	(2,196)	(1,236)	
Net gains/(losses) on Level 3 liabilities (realized and unrealized)	0	70	0	(35)	
CDOs and CLOs					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3				8,700	
Transfers of assets from Level 3 to Level 2		3,700			
Net gains/(losses) on Level 3 assets (realized and unrealized)	(1,514)	567	(5,892)	(2,323)	
Other ABS					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3		3,900	10,800		
Transfers of assets from Level 3 to Level 2			10,000		
Net gains/(losses) on Level 3 assets (realized and unrealized)	(1,689)	(2,269)	(929)	(7,528)	
RMBS					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of assets from Level 2 to Level 3		2,900			
Transfers of assets from Level 3 to Level 2				4,600	
Net gains/(losses) on Level 3 assets (realized and unrealized)	(1,917)	(66)	(2,573)	(7,334)	
Long-term debt					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Transfers of liabilities from Level 2 to Level 3		0		107,424	
Net gains/(losses) on Level 3 liabilities (realized and unrealized)	7,455	$ 3,004	(5,286)	$ (25,078)	
US Treasury Securities					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Cash and securities segregated and on deposit for regulatory purposes with clearing and depository organizations	$ 35,000		$ 35,000		$ 34,800

Derivative Financial Instruments - Fair Value and Related Number of Derivative Contracts Categorized by Type of Derivative Contract (Details) $ in Thousands	Aug. 31, 2019 USD ($) Contract	Nov. 30, 2018 USD ($) Contract
Derivatives, Fair Value [Line Items]		
Net amounts per Consolidated Statements of Financial Condition, Assets	$ 485,744	$ 130,610
Net amounts per Consolidated Statements of Financial Condition, Liabilities	562,806	1,127,651
Exchange-traded		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	744,491	1,204,106
Fair Value, Liabilities	1,092,015	2,061,922
Amounts offset in the Consolidated Statements of Financial Condition, Assets	(723,158)	(1,190,951)
Amounts offset in the Consolidated Statements of Financial Condition, Liabilities	(723,158)	(1,190,951)
Cleared OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	907,235	433,874
Fair Value, Liabilities	911,977	443,072
Amounts offset in the Consolidated Statements of Financial Condition, Assets	(871,162)	(407,351)
Amounts offset in the Consolidated Statements of Financial Condition, Liabilities	(881,963)	(418,779)
Bilateral OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	1,328,493	905,116
Fair Value, Liabilities	1,158,020	1,134,262
Amounts offset in the Consolidated Statements of Financial Condition, Assets	(900,155)	(814,184)
Amounts offset in the Consolidated Statements of Financial Condition, Liabilities	(994,085)	(901,875)
Derivatives designated as accounting hedges:		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	38,588	0
Fair Value, Liabilities	0	29,647
Derivatives designated as accounting hedges: | Interest rate contracts: | Cleared OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 38,588	$ 0
Number of Contracts, Assets | Contract	1	0
Fair Value, Liabilities	$ 0	$ 29,647
Number of Contracts, Liabilities | Contract	0	1
Derivatives not designated as accounting hedges:		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 2,941,631	$ 2,543,096
Fair Value, Liabilities	3,162,012	3,609,609
Derivatives not designated as accounting hedges: | Interest rate contracts: | Exchange-traded		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 1,766	$ 924
Number of Contracts, Assets | Contract	39,912	32,159

Fair Value, Liabilities	$ 873	$ 513
Number of Contracts, Liabilities | Contract	45,448	66,095
Derivatives not designated as accounting hedges: | Interest rate contracts: | Cleared OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 863,437	$ 422,670
Number of Contracts, Assets | Contract	3,335	2,095
Fair Value, Liabilities	$ 903,989	$ 411,833
Number of Contracts, Liabilities | Contract	3,947	2,394
Derivatives not designated as accounting hedges: | Interest rate contracts: | Bilateral OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 539,158	$ 372,899
Number of Contracts, Assets | Contract	1,865	1,398
Fair Value, Liabilities	$ 241,817	$ 491,697
Number of Contracts, Liabilities | Contract	474	816
Derivatives not designated as accounting hedges: | Foreign exchange contracts: | Exchange-traded		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 0	$ 42
Number of Contracts, Assets | Contract	191	538
Fair Value, Liabilities	$ 0	$ 2
Number of Contracts, Liabilities | Contract	87	690
Derivatives not designated as accounting hedges: | Foreign exchange contracts: | Cleared OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets		$ 0
Number of Contracts, Assets | Contract		0
Fair Value, Liabilities		$ 36
Number of Contracts, Liabilities | Contract		3
Derivatives not designated as accounting hedges: | Foreign exchange contracts: | Bilateral OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 550,737	$ 311,228
Number of Contracts, Assets | Contract	8,564	9,548
Fair Value, Liabilities	$ 548,854	$ 314,951
Number of Contracts, Liabilities | Contract	8,319	9,909
Derivatives not designated as accounting hedges: | Equity contracts: | Exchange-traded		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 741,307	$ 1,202,927
Number of Contracts, Assets | Contract	1,998,268	2,104,684
Fair Value, Liabilities	$ 1,091,142	$ 2,061,137
Number of Contracts, Liabilities | Contract	1,611,110	1,779,836
Derivatives not designated as accounting hedges: | Equity contracts: | Bilateral OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 228,415	$ 207,221
Number of Contracts, Assets | Contract	4,073	5,126
Fair Value, Liabilities	$ 357,356	$ 315,996
Number of Contracts, Liabilities | Contract	4,428	2,764
Derivatives not designated as accounting hedges: | Commodity contracts: | Exchange-traded		
Derivatives, Fair Value [Line Items]		

Fair Value, Assets	$ 1,418	$ 213
Number of Contracts, Assets | Contract	9,523	3,927
Fair Value, Liabilities	$ 0	$ 270
Number of Contracts, Liabilities | Contract	6,239	4,012
Derivatives not designated as accounting hedges: | Credit contracts: | Cleared OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 5,210	$ 11,204
Number of Contracts, Assets | Contract	12	7
Fair Value, Liabilities	$ 7,988	$ 1,556
Number of Contracts, Liabilities | Contract	16	14
Derivatives not designated as accounting hedges: | Credit contracts: | Bilateral OTC		
Derivatives, Fair Value [Line Items]		
Fair Value, Assets	$ 10,183	$ 13,768
Number of Contracts, Assets | Contract	34	123
Fair Value, Liabilities	$ 9,993	$ 11,618
Number of Contracts, Liabilities | Contract	21	79

Derivative Financial Instruments - External Credit Ratings of Underlyings or Referenced Assets (Details) - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Index credit default swaps		
Derivative [Line Items]		
Total Notional	$ 96.8	$ 193.1
Single name credit default swaps		
Derivative [Line Items]		
Total Notional	72.1	145.2
Investment Grade | Index credit default swaps		
Derivative [Line Items]		
Total Notional	0.0	25.7
Investment Grade | Single name credit default swaps		
Derivative [Line Items]		
Total Notional	7.6	57.7
Non-investment Grade | Index credit default swaps		
Derivative [Line Items]		
Total Notional	96.8	167.4
Non-investment Grade | Single name credit default swaps		
Derivative [Line Items]		
Total Notional	31.6	84.5
Unrated | Index credit default swaps		
Derivative [Line Items]		
Total Notional	0.0	0.0
Unrated | Single name credit default swaps		
Derivative [Line Items]		
Total Notional	$ 32.9	$ 3.0

Goodwill and Intangible Assets - Goodwill (Details) $ in Thousands	9 Months Ended Aug. 31, 2019 USD ($)
Goodwill [Roll Forward]	
Goodwill, Beginning Balance	$ 1,642,170
Translation adjustments	(3,596)
Goodwill, Ending Balance	1,638,574
Capital Markets	
Goodwill [Roll Forward]	
Goodwill, Beginning Balance	1,638,778
Goodwill, Ending Balance	1,635,200
Asset Management	
Goodwill [Roll Forward]	
Goodwill, Beginning Balance	3,392
Goodwill, Ending Balance	$ 3,374

Compensation Plans - Compensation Cost (Details) - USD ($) $ in Millions	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Compensation Related Costs [Abstract]				
Restricted cash awards	$ 72.3	$ 60.0	$ 205.1	$ 183.6
Restricted stock and RSUs	6.6	7.1	19.6	21.1
Profit sharing plan	1.2	1.1	6.4	5.6
Total compensation cost	$ 80.1	$ 68.2	$ 231.1	$ 210.3

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (Parenthetical) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Cash, Cash Equivalents and Restricted Cash by Category [Abstract]		
Cash and cash equivalents	$ 4,665,490	$ 5,145,886
Cash and securities segregated and on deposit for regulatory purposes with clearing and depository organizations	623,363	673,141
Total cash, cash equivalents and restricted cash	$ 5,288,853	$ 5,819,027

Long-Term Debt - Additional Information (Details) - USD ($)	Jan. 05, 2018	9 Months Ended Aug. 31, 2019	Jul. 19, 2019	Nov. 30, 2018	Aug. 31, 2018	May 16, 2018	Apr. 30, 2018	Nov. 30, 2017
Debt Instrument [Line Items]								
Long-term debt at fair value		$ 1,014,509,000		$ 686,170,000				
Increase of long-term debt		220,900,000						
Long-term debt		6,767,163,000		6,546,283,000				
Redemption price as percentage of principal amount redeemed	100.00%							
Unsecured Debt								
Debt Instrument [Line Items]								
Long-term debt		6,578,236,000		6,362,744,000				
Structured Notes								
Debt Instrument [Line Items]								
Debt principal amount		283,200,000						
Structured Notes | Unsecured Debt								
Debt Instrument [Line Items]								
Debt principal amount					$ 162,600,000			
Long-term debt		1,014,509,000		686,170,000				
$2.5 Billion Euro Medium Term Note | Unsecured Debt								
Debt Instrument [Line Items]								
Debt principal amount			$ 2,500,000,000					
1.000% Euro Medium Term Notes | Unsecured Debt								
Debt Instrument [Line Items]								
Debt principal amount			$ 553,600,000					
Proceeds from debt		$ 551,400,000						
Debt instrument interest rate		1.00%	1.00%					
Long-term debt		$ 546,855,000		0				
8.500% Senior Notes | Unsecured Debt								
Debt Instrument [Line Items]								
Repayments of debt		$ 680,800,000						
Debt instrument interest rate		8.50%						
Long-term debt		$ 0		699,659,000				
4.150% Senior Notes | Unsecured Debt								
Debt Instrument [Line Items]								
Debt principal amount					$ 1,000,000,000.0			
Debt instrument interest rate		4.15%						
Long-term debt		$ 988,440,000		987,788,000				
3.875% Convertible Senior Debentures | Unsecured Debt								
Debt Instrument [Line Items]								
Long-term debt								$ 324,800,000
5.125% Senior Notes | Unsecured Debt								
Debt Instrument [Line Items]								

Debt instrument interest rate				5.125%
Long-term debt				$ 668,300,000
Revolving Credit Facility | Secured Debt				
Debt Instrument [Line Items]				
Debt principal amount			$ 190,000,000.0	
Long-term debt	188,927,000	183,539,000		
Level 2 and Level 3				
Debt Instrument [Line Items]				
Long-term debt at fair value	$ 7,046,600,000	$ 6,423,600,000		

Investments - Summary of Selected Financial Information for Berkadia (Details) - Berkadia Commercial Mortgage, LLC - USD ($) $ in Millions	3 Months Ended	9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2019	Nov. 30, 2018
Schedule of Equity Method Investments [Line Items]			
Our total equity balance	$ 270.5	$ 270.5	$ 245.2
Net earnings	$ 53.8	$ 160.3	

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED) - USD ($) $ in Thousands		3 Months Ended		9 Months Ended	
		Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Statement of Comprehensive Income [Abstract]					
Net earnings		$ 64,825	$ 60,178	$ 221,009	$ 97,367
Other comprehensive income (loss), net of tax:					
Currency translation adjustments and other	[1]	(28,023)	(26,050)	(34,208)	(71,219)
Changes in instrument specific credit risk	[2]	5,889	1,067	26,533	8,971
Cash flow hedges	[3]	0	85	(470)	1,382
Unrealized gain on available-for-sale securities	[4]	198	0	577	0
Total other comprehensive loss, net of tax	[5]	(21,936)	(24,898)	(7,568)	(60,866)
Comprehensive income		42,889	35,280	213,441	36,501
Net earnings (loss) attributable to noncontrolling interests		(143)	(4)	140	(1)
Comprehensive income attributable to Jefferies Group LLC		$ 43,032	$ 35,284	$ 213,301	$ 36,502

[1] The amounts during the three and nine months ended August 31, 2019 include income tax benefits of $8.9 million and $10.6 million respectively, compared with $2.8 million in both the three and nine months ended August 31, 2018, related to the impact of certain discrete items related to tax planning for our non-U.S. subsidiaries in connection with the Tax Cuts and Jobs Act (the “Tax Act”). The amount during the nine months ended August 31, 2018 includes $5.3 million related to the transfer of the German Pension Plan, which was reclassified to Compensation and benefits expenses within the Consolidated Statements of Earnings and ($0.8) million related to the Tax Act, which was reclassified to Member’s paid-in capital and a gain of $20.5 million related to foreign currency gains, which was reclassified to Other revenues within the Consolidated Statements of Earnings.

[2] The amounts include income tax expenses of approximately $2.0 million and $9.0 million for the three and nine months ended August 31, 2019, respectively, and income tax expenses of approximately $0.3 million and $11.0 million for the three and nine months ended August 31, 2018, respectively. The amount during the nine months ended August 31, 2019 also includes gains of $0.5 million, net of taxes of $0.2 million, related to changes in instrument specific risk, which was reclassified to Principal transactions revenues within the Consolidated Statements of Earnings. The amounts during the three and nine months ended August 31, 2018 also include gains of $0.1 million and $0.4 million, net of taxes of $0.1 million, respectively, related to changes in instrument specific risk, which was reclassified to Principal transactions revenues within the Consolidated Statements of Earnings. The amount during the nine months ended August 31, 2018 includes ($6.5) million related to the Tax Act, which was reclassified to Member’s paid-in capital.

[3] The amount during the nine months ended August 31, 2019 includes income tax benefits of $0.2 million. The cash flow hedge loss of $0.5 million during the nine months ended August 31, 2019 was reclassified to Other revenues within the Consolidated Statement of Earnings due to the sale of all of our common shares of Epic Gas Ltd. (“Epic Gas”). Refer to Note 9, Investments for further information. The amount during the nine months ended August 31, 2018 includes income tax expenses of $0.7 million. The amount during the nine months ended August 31, 2018 also includes ($0.2) million related to the Tax Act, which was reclassified to Member’s paid-in capital.

[4] The amount during the nine months ended August 31, 2019 includes income tax expense of approximately $0.2 million

[5] None of the components of other comprehensive loss are attributable to noncontrolling interests.

Cover	9 Months Ended Aug. 31, 2019 shares
Entity Information [Line Items]	
Document Type	10-Q
Document Quarterly Report	true
Document Period End Date	Aug. 31, 2019
Document Transition Report	false
Entity File Number	1-14947
Entity Registrant Name	JEFFERIES GROUP LLC
Entity Incorporation, State or Country Code	DE
Entity Tax Identification Number	95-4719745
Entity Address, Address Line One	520 Madison Avenue,
Entity Address, City or Town	New York,
Entity Address, State or Province	NY
Entity Address, Postal Zip Code	10022
City Area Code	212
Local Phone Number	284-2550
Entity Current Reporting Status	Yes
Entity Interactive Data Current	Yes
Entity Filer Category	Non-accelerated Filer
Entity Small Business	false
Entity Emerging Growth Company	false
Entity Shell Company	false
Entity Central Index Key	0001084580
Current Fiscal Year End Date	--11-30
Document Fiscal Year Focus	2019
Document Fiscal Period Focus	Q3
Amendment Flag	false
Entity Common Stock, Shares Outstanding	0
4.850% Senior Notes Due 2027	
Entity Information [Line Items]	
Title of 12(b) Security	4.850% Senior Notes Due 2027
Trading Symbol	JEF/27A
Security Exchange Name	NYSE
5.125% Senior Notes Due 2023	
Entity Information [Line Items]	
Title of 12(b) Security	5.125% Senior Notes Due 2023
Trading Symbol	JEF/23
Security Exchange Name	NYSE

Fair Value Disclosures

9 Months Ended Aug. 31, 2019

Fair Value Disclosures [Abstract]

Fair Value Disclosures

Fair Value Disclosures

The following is a summary of our financial assets and liabilities that are accounted for at fair value on a recurring basis, excluding Investments at fair value based on net asset value ("NAV") of $573.5 million and $322.9 million at August 31, 2019 and November 30, 2018, respectively, by level within the fair value hierarchy (in thousands):

	August 31, 2019				
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
Assets:					
Financial instruments owned:					
Corporate equity securities	$ 2,388,213	$ 162,382	$ 50,600	$ —	$ 2,601,195
Corporate debt securities	—	2,892,471	9,288	—	2,901,759
Collateralized debt obligations and collateralized loan obligations	—	114,045	21,135	—	135,180
U.S. government and federal agency securities	2,115,452	204,076	—	—	2,319,528
Municipal securities	—	706,375	—	—	706,375
Sovereign obligations	1,521,540	1,088,927	—	—	2,610,467
Residential mortgage-backed securities	—	1,405,246	17,929	—	1,423,175
Commercial mortgage-backed securities	—	373,319	5,462	—	378,781
Other asset-backed securities	—	490,055	34,598	—	524,653
Loans and other receivables	—	1,460,982	75,563	—	1,536,545
Derivatives	9,258	2,954,937	16,024	(2,494,475)	485,744
Investments at fair value	—	41,548	132,505	—	174,053
Total financial instruments owned, excluding Investments at fair value based on NAV	$ 6,034,463	$11,894,363	$ 363,104	$ (2,494,475)	$15,797,455
Securities purchased under agreements to resell	$ —	$ —	$ 25,000	$ —	$ 25,000
Liabilities:					
Financial instruments sold, not yet purchased:					
Corporate equity securities	$ 2,750,131	$ 7,097	$ 211	$ —	$ 2,757,439
Corporate debt securities	—	1,803,666	1,202	—	1,804,868
U.S. government and federal agency securities	1,922,145	—	—	—	1,922,145
Sovereign obligations	1,281,332	853,882	—	—	2,135,214
Commercial mortgage-backed securities	—	—	35	—	35
Loans	—	1,097,178	16,630	—	1,113,808
Derivatives	7,327	3,087,898	66,787	(2,599,206)	562,806
Total financial instruments sold, not yet purchased	$ 5,960,935	$ 6,849,721	$ 84,865	$ (2,599,206)	$10,296,315
Long-term debt	$ —	$ 666,446	$ 348,063	$ —	$ 1,014,509

(1) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

	November 30, 2018				
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
Assets:					
Financial instruments owned:					
Corporate equity securities	$1,907,945	$ 118,681	$ 51,040	$ —	$ 2,077,666

Corporate debt securities	—	2,683,180	9,484	—	2,692,664
Collateralized debt obligations and collateralized loan obligations	—	72,949	25,815	—	98,764
U.S. government and federal agency securities	1,789,614	56,592	—	—	1,846,206
Municipal securities	—	894,253	—	—	894,253
Sovereign obligations	1,769,556	1,043,409	—	—	2,812,965
Residential mortgage-backed securities	—	2,163,629	19,603	—	2,183,232
Commercial mortgage-backed securities	—	819,406	10,886	—	830,292
Other asset-backed securities	—	239,381	53,175	—	292,556
Loans and other receivables	—	2,056,593	46,985	—	2,103,578
Derivatives	12,186	2,524,988	5,922	(2,412,486)	130,610
Investments at fair value	—	—	113,831	—	113,831
Total financial instruments owned, excluding Investments at fair value based on NAV	$5,479,301	$12,673,061	$336,741	$ (2,412,486)	$16,076,617
Liabilities:					
Financial instruments sold, not yet purchased:					
Corporate equity securities	$1,685,071	$ 1,444	$ —	$ —	$ 1,686,515
Corporate debt securities	—	1,505,618	522	—	1,506,140
U.S. government and federal agency securities	1,384,295	—	—	—	1,384,295
Sovereign obligations	1,735,242	661,095	—	—	2,396,337
Loans	—	1,371,630	6,376	—	1,378,006
Derivatives	26,471	3,585,249	27,536	(2,511,605)	1,127,651
Total financial instruments sold, not yet purchased	$4,831,079	$ 7,125,036	$ 34,434	$ (2,511,605)	$ 9,478,944
Long-term debt	$ —	$ 485,425	$200,745	$ —	$ 686,170

(1) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

The following is a description of the valuation basis, including valuation techniques and inputs, used in measuring our financial assets and liabilities that are accounted for at fair value on a recurring basis:

Corporate Equity Securities

- Exchange-Traded Equity Securities: Exchange-traded equity securities are measured based on quoted closing exchange prices, which are generally obtained from external pricing services, and are categorized within Level 1 of the fair value hierarchy, otherwise they are categorized within Level 2 of the fair value hierarchy. To the extent these securities are actively traded, valuation adjustments are not applied.

- Non-Exchange-Traded Equity Securities: Non-exchange-traded equity securities are measured primarily using broker quotations, pricing data from external pricing services and prices observed from recently executed market transactions and are categorized within Level 2 of the fair value hierarchy. Where such information is not available, non-exchange-traded equity securities are categorized within Level 3 of the fair value hierarchy and measured using valuation techniques involving quoted prices of or market data for comparable companies, similar company ratios and multiples (*e.g.*, price/Earnings before interest, taxes, depreciation and amortization ("EBITDA"), price/book value), discounted cash flow analyses and transaction prices observed from subsequent financing or capital issuance by the company. When using pricing data of comparable companies, judgment must be applied to adjust the pricing data to account for differences between the measured security and the comparable security (*e.g.*, issuer market capitalization, yield, dividend rate, geographical concentration).

- Equity Warrants: Non-exchange-traded equity warrants are measured primarily using pricing data from external pricing services, prices observed from recently executed market transactions and broker quotations and are categorized within Level 2 of the fair value hierarchy. Where such information is not available, non-exchange-traded equity warrants are generally categorized within Level 3 of the fair value hierarchy and are measured using the Black-Scholes model with key inputs impacting the valuation including the underlying security price, implied volatility, dividend yield, interest rate curve, strike price and maturity date.

Corporate Debt Securities

- Investment Grade Corporate Bonds: Investment grade corporate bonds are measured primarily using pricing data from external pricing services and broker quotations, where available, prices observed from recently executed market transactions and bond spreads or credit default swap spreads of the issuer adjusted for basis differences between the swap curve and the bond curve. Investment grade corporate bonds measured using these valuation methods are categorized within Level 2 of the fair value hierarchy. If broker quotes, pricing data or spread data is not available, alternative valuation techniques are used including cash flow models incorporating interest rate curves, single name or index credit default swap curves for comparable issuers and recovery rate assumptions. Investment grade corporate bonds measured using alternative valuation techniques are categorized within Level 2 or Level 3 of the fair value hierarchy and are a limited portion of our investment grade corporate bonds.

- High Yield Corporate and Convertible Bonds: A significant portion of our high yield corporate and convertible bonds are categorized within Level 2 of the fair value hierarchy and are measured primarily using broker quotations and pricing data from external pricing services, where available, and prices observed from recently executed market transactions of institutional size. Where pricing data is less observable, valuations are categorized within Level 3 of the fair value hierarchy and are based on pending transactions involving the issuer or comparable issuers, prices implied from an issuer's subsequent financing or recapitalization, models incorporating financial ratios and projected cash flows of the issuer and market prices for comparable issuers.

Collateralized Debt Obligations and Collateralized Loan Obligations

Collateralized debt obligations ("CDOs") and collateralized loan obligations ("CLOs") are measured based on prices observed from recently executed market transactions of the same or similar security or based on valuations received from third-party brokers or data providers and are categorized within Level 2 or Level 3 of the fair value hierarchy depending on the observability and significance of the pricing inputs. Valuation that is based on recently executed market transactions of similar securities incorporates additional review and analysis of pricing inputs and comparability criteria, including, but not limited to, collateral type, tranche type, rating, origination year, prepayment rates, default rates and loss severity.

U.S. Government and Federal Agency Securities

- U.S. Treasury Securities: U.S. Treasury securities are measured based on quoted market prices obtained from external pricing services and categorized within Level 1 of the fair value hierarchy.

- U.S. Agency Debt Securities: Callable and non-callable U.S. agency debt securities are measured primarily based on quoted market prices obtained from external pricing services and are generally categorized within Level 1 or Level 2 of the fair value hierarchy.

Municipal Securities

Municipal securities are measured based on quoted prices obtained from external pricing services and are generally categorized within Level 2 of the fair value hierarchy.

Sovereign Obligations

Sovereign government obligations are measured based on quoted market prices obtained from external pricing services, where available, or recently executed independent transactions of comparable size. Sovereign government obligations, with consideration given to the country of issuance, are generally categorized within Level 1 or Level 2 of the fair value hierarchy.

Residential Mortgage-Backed Securities

- Agency Residential Mortgage-Backed Securities ("RMBS"): Agency RMBS include mortgage pass-through securities (fixed and adjustable rate), collateralized mortgage obligations and principal-only and interest-only (including inverse interest-only) securities. Agency RMBS are generally measured using recent transactions, pricing data from external pricing services or expected future cash flow techniques that incorporate prepayment models and other prepayment assumptions to amortize the underlying mortgage loan collateral and are categorized within Level 2 or Level 3 of the fair value hierarchy. We use prices observed from recently executed transactions to develop market-clearing spread and yield curve assumptions. Valuation inputs with regard to the underlying collateral incorporate factors such as weighted average coupon, loan-to-value, credit scores, geographic location, maximum and average loan size, originator, servicer and weighted average loan age.

- Non-Agency RMBS: The fair value of non-agency RMBS is determined primarily using discounted cash flow methodologies and securities are categorized within Level 2 or Level 3 of the fair value hierarchy based on the observability and significance of the pricing inputs used. Performance attributes of the

underlying mortgage loans are evaluated to estimate pricing inputs, such as prepayment rates, default rates and the severity of credit losses. Attributes of the underlying mortgage loans that affect the pricing inputs include, but are not limited to, weighted average coupon; average and maximum loan size; loan-to-value; credit scores; documentation type; geographic location; weighted average loan age; originator; servicer; historical prepayment, default and loss severity experience of the mortgage loan pool; and delinquency rate. Yield curves used in the discounted cash flow models are based on observed market prices for comparable securities and published interest rate data to estimate market yields. In addition, broker quotes, where available, are also referenced to compare prices primarily on interest-only securities.

Commercial Mortgage-Backed Securities

- Agency Commercial Mortgage-Backed Securities ("CMBS"): Government National Mortgage Association ("GNMA") project loan bonds are measured based on inputs corroborated from and benchmarked to observed prices of recent securitization transactions of similar securities with adjustments incorporating an evaluation of various factors, including prepayment speeds, default rates and cash flow structures, as well as the likelihood of pricing levels in the current market environment. Federal National Mortgage Association ("FNMA") Delegated Underwriting and Servicing ("DUS") mortgage-backed securities are generally measured by using prices observed from recently executed market transactions to estimate market-clearing spread levels for purposes of estimating fair value. GNMA project loan bonds and FNMA DUS mortgage-backed securities are categorized within Level 2 of the fair value hierarchy.

- Non-Agency CMBS: Non-agency CMBS are measured using pricing data obtained from external pricing services, prices observed from recently executed market transactions or based on expected cash flow models that incorporate underlying loan collateral characteristics and performance. Non-Agency CMBS are categorized within Level 2 or Level 3 of the fair value hierarchy depending on the observability of the underlying inputs.

Other Asset-Backed Securities

Other asset-backed securities ("ABS") include, but are not limited to, securities backed by auto loans, credit card receivables, student loans and other consumer loans and are categorized within Level 2 or Level 3 of the fair value hierarchy. Valuations are primarily determined using pricing data obtained from external pricing services, broker quotes and prices observed from recently executed market transactions. In addition, recent transaction data from comparable deals is deployed to develop market clearing yields and cumulative loss assumptions. The cumulative loss assumptions are based on the analysis of the underlying collateral and comparisons to earlier deals from the same issuer to gauge the relative performance of the deal.

Loans and Other Receivables

- Corporate Loans: Corporate loans categorized within Level 2 of the fair value hierarchy are measured based on market consensus pricing service quotations. Where available, market price quotations from external pricing services are reviewed to ensure they are supported by transaction data. Corporate loans categorized within Level 3 of the fair value hierarchy are measured based on price quotations that are considered to be less transparent, market prices for debt securities of the same creditor and estimates of future cash flows incorporating assumptions regarding creditor default and recovery rates and consideration of the issuer's capital structure.

- Participation Certificates in Agency Residential Loans: Valuations of participation certificates in agency residential loans are based on observed market prices of recently executed purchases and sales of similar loans and data provider pricing. The loan participation certificates are categorized within Level 2 of the fair value hierarchy given the observability and volume of recently executed transactions and availability of data provider pricing.

- Project Loans and Participation Certificates in GNMA Project and Construction Loans: Valuations of participation certificates in GNMA project and construction loans are based on inputs corroborated from and benchmarked to observed prices of recent securitizations with similar underlying loan collateral to derive an implied spread. Securitization prices are adjusted to estimate the fair value of the loans to account for the arbitrage that is realized at the time of securitization. The measurements are categorized within Level 2 of the fair value hierarchy given the observability and volume of recently executed transactions.

- Consumer Loans and Funding Facilities: Consumer and small business whole loans and related funding facilities are valued based on observed market transactions and incorporating valuation inputs including, but not limited to, delinquency and default rates, prepayment rates, borrower characteristics, loan risk grades and loan age. These assets are categorized within Level 2 or Level 3 of the fair value

hierarchy.

- Escrow and Claim Receivables: Escrow and claim receivables are categorized within Level 3 of the fair value hierarchy where fair value is estimated based on reference to market prices and implied yields of debt securities of the same or similar issuers. Escrow and claim receivables are categorized within Level 2 of the fair value hierarchy where fair value is based on recent observations in the same receivable.

Derivatives

- Listed Derivative Contracts: Listed derivative contracts that are actively traded are measured based on quoted exchange prices, broker quotes or vanilla option valuation models, such as Black-Scholes, using observable valuation inputs from the principal market or consensus pricing services. Exchange quotes and/or valuation inputs are generally obtained from external vendors and pricing services. Broker quotes are validated directly through observable and tradeable quotes. Listed derivative contracts that use unadjusted exchange close prices are generally categorized within Level 1 of the fair value hierarchy. All other listed derivative contracts are generally categorized within Level 2 of the fair value hierarchy.

- Over-the-Counter ("OTC") Derivative Contracts: OTC derivative contracts are generally valued using models, whose inputs reflect assumptions that we believe market participants would use in valuing the derivative in a current transaction. Where available, valuation inputs are calibrated from observable market data. For many OTC derivative contracts, the valuation models do not involve material subjectivity as the methodologies do not entail significant judgment and the inputs to valuation models do not involve a high degree of subjectivity as the valuation model inputs are readily observable or can be derived from actively quoted markets. OTC derivative contracts are primarily categorized within Level 2 of the fair value hierarchy given the observability and significance of the inputs to the valuation models. Where significant inputs to the valuation are unobservable, derivative instruments are categorized within Level 3 of the fair value hierarchy.

  OTC options include OTC equity, foreign exchange, interest rate and commodity options measured using various valuation models, such as Black-Scholes, with key inputs including the underlying security price, foreign exchange spot rate, commodity price, implied volatility, dividend yield, interest rate curve, strike price and maturity date. Discounted cash flow models are utilized to measure certain OTC derivative contracts including the valuations of our interest rate swaps, which incorporate observable inputs related to interest rate curves, valuations of our foreign exchange forwards and swaps, which incorporate observable inputs related to foreign currency spot rates and forward curves and valuations of our commodity swaps and forwards, which incorporate observable inputs related to commodity spot prices and forward curves. Discounted cash flow models are also utilized to measure certain variable funding note swaps, which are backed by CLOs and incorporates constant prepayment rate, constant default rate and loss severity assumptions. Credit default swaps include both index and single-name credit default swaps. Where available, external data is used in measuring index credit default swaps and single-name credit default swaps. For commodity and equity total return swaps, market prices are generally observable for the underlying asset and used as the basis for measuring the fair value of the derivative contracts. Total return swaps executed on other underlyings are measured based on valuations received from external pricing services.

Investments at Fair Value

Investments at fair value includes investments in hedge funds, fund of funds and private equity funds, which are measured at the NAV of the funds, provided by the fund managers and are excluded from the fair value hierarchy. Investments at fair value also include direct equity investments in private companies, which are measured at fair value using valuation techniques involving quoted prices of or market data for comparable companies, similar company ratios and multiples (*e.g.*, price/EBITDA, price/book value), discounted cash flow analyses and transaction prices observed for subsequent financing or capital issuance by the company. Direct equity investments in private companies are categorized within Level 2 or Level 3 of the fair value hierarchy.

The following tables present information about our investments in entities that have the characteristics of an investment company (in thousands):

	August 31, 2019	
	Fair Value (1)	Unfunded Commitments
Equity Long/Short Hedge Funds (2)	$ 292,205	$ —
Equity Funds (3)	33,891	19,154
Commodity Funds (4)	15,212	—

Multi-asset Funds (5)	231,991	—
Other Funds (6)	158	—
Total	$ 573,457	$ 19,154

	November 30, 2018	
	Fair Value (1)	Unfunded Commitments
Equity Long/Short Hedge Funds (2)	$ 15,338	$ —
Equity Funds (3)	40,070	20,996
Commodity Funds (4)	10,129	—
Multi-asset Funds (5)	256,972	—
Other Funds (6)	400	—
Total	$ 322,909	$ 20,996

(1) Where fair value is calculated based on NAV, fair value has been derived from each of the funds' capital statements.

(2) This category includes investments in hedge funds that invest, long and short, primarily in equity securities in domestic and international markets in both the public and private sectors. At August 31, 2019 and November 30, 2018, approximately 94% and 0%, respectively, of the fair value of investments in this category cannot be redeemed because these investments include restrictions that do not allow for redemption in the first 36 months after acquisition. At August 31, 2019 and November 30, 2018, approximately 6% and 97%, respectively, of the fair value of investments in this category are redeemable quarterly with 60 days prior written notice.

(3) At August 31, 2019 and November 30, 2018, the investments in this category include investments in equity funds that invest in the equity of various U.S. and foreign private companies in the energy, technology, internet service and telecommunication service industries. These investments cannot be redeemed; instead, distributions are received through the liquidation of the underlying assets of the funds which are primarily expected to be liquidated in approximately one to nine years.

(4) This category includes investments in a hedge fund that invests, long and short, primarily in commodities. Investments in this category are redeemable quarterly with 60 days prior written notice.

(5) This category includes investments in hedge funds that invest, long and short, primarily in multi-asset securities in domestic and international markets in both the public and private sectors. At August 31, 2019 and November 30, 2018, investments representing approximately 4% and 15%, respectively, of the fair value of investments in this category are redeemable monthly with 30 days prior written notice.

(6) This category includes investments in a fund that invests in loans secured by a first trust deed on property, domestic and international public high yield debt, private high yield investments, senior bank loans, public leveraged equities, distressed debt and private equity investments and there are no redemption provisions. This category also includes investments in a fund of funds that invests in various private equity funds that are managed by us and have no redemption provisions. Investments in the fund of funds are gradually being liquidated, however, the timing of when the proceeds will be received is uncertain.

Securities Purchased Under Agreements to Resell

Securities purchased under agreements to resell may include embedded call features. The valuation of these instruments is based on review of expected future cash flows, interest rates, funding spreads and the fair value of the underlying collateral. Securities purchased under agreements to resell are categorized within Level 3 of the fair value hierarchy due to limited observability of the embedded derivative and unobservable credit spreads.

Long-term Debt

Long-term debt includes variable rate, fixed-to-floating rate, constant maturity swap, digital and Bermudan structured notes. These are valued using various valuation models that incorporate our own credit spread, market price quotations from external pricing sources referencing the appropriate interest rate curves, volatilities and other inputs as well as prices for transactions in a given note during the period. Long-term debt notes are generally categorized within Level 2 of the fair value hierarchy where market trades have been observed during the quarter, otherwise categorized within Level 3.

Level 3 Rollforwards

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the three months ended August 31, 2019 (in thousands):

	Three Months Ended August 31, 2019
	For instruments still held at August 31, 2019, changes in

	Balance at May 31, 2019	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2019	unrealized gains/(losses) included in: Earnings (1)	Other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$59,307	$ 12,542	$ 16,508	$(17,502)	$ —	$ —	$(20,255)	$50,600	$ 12,062	$ —
Corporate debt securities	7,429	(3,072)	1,175	(1,942)	(85)	—	5,783	9,288	(3,047)	—
CDOs and CLOs	16,195	(1,514)	—	—	—	—	6,454	21,135	(1,503)	—
RMBS	17,266	(1,917)	—	(65)	(22)	—	2,667	17,929	(1,435)	—
CMBS	12,530	(2,003)	—	(1,703)	(3,362)	—	—	5,462	(3,143)	—
Other ABS	43,185	(1,689)	13,497	(6,975)	(5,500)	—	(7,920)	34,598	(1,068)	—
Loans and other receivables	98,484	(2,847)	26,921	(33,409)	(1,287)	—	(12,299)	75,563	(2,392)	—
Investments at fair value	103,833	(6,407)	240	(296)	—	—	35,135	132,505	(6,407)	—
Securities purchased under agreements to resell	25,000	—	—	—	—	—	—	25,000	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 221	$ 401	$ (221)	$ —	$ (190)	$ —	$ —	$ 211	$ (35)	$ —
Corporate debt securities	669	(650)	(34)	—	(369)	—	1,586	1,202	649	—
CMBS	—	—	—	35	—	—	—	35	—	—
Loans	9,428	(520)	(10,281)	5,384	—	—	12,619	16,630	531	—
Net derivatives (2)	47,449	(19,519)	—	6,766	(14)	—	16,081	50,763	18,507	—
Long-term debt	236,562	7,455	—	—	—	114,641	(10,595)	348,063	(8,162)	706

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the Three Months Ended August 31, 2019

During the three months ended August 31, 2019, transfers of assets of $79.0 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Investments as fair value of $35.1 million and Loans and other receivables of $23.7 million due to reduced pricing transparency.

During the three months ended August 31, 2019, transfers of assets of $69.4 million from Level 3 to Level 2 are primarily attributed to:

- Loans and other receivables of $36.0 million and Corporate equity securities of $22.1 million due to greater pricing transparency supporting classification into Level 2.

During the three months ended August 31, 2019, transfers of liabilities of $43.5 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Net derivatives of $17.6 million, Loans of $13.3 million and structured notes of $11.0 million due to reduced market and pricing transparency.

During the three months ended August 31, 2019, transfers of liabilities of $23.8 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes of $21.6 million due to greater market transparency.

Net losses on Level 3 assets were $6.9 million and net gains on Level 3 liabilities were $12.8 million for the three months ended August 31, 2019. Net losses on Level 3 assets were primarily due to decreased market values across Investments at fair value, Corporate debt securities, loans and other receivables and CMBS, partially offset by increased market values across Corporate equity securities. Net gains on Level 3 liabilities were primarily due to decreased market values across certain derivatives.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the nine months ended August 31, 2019 (in thousands):

	Nine Months Ended August 31, 2019									
									For instruments still held at August 31, 2019, changes in unrealized gains/(losses) included in:	
	Balance at November 30, 2018	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2019	Earnings (1)	Other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 51,040	$ 16,381	$ 23,172	$(25,431)	$ (669)	$ —	$(13,893)	$50,600	$14,953	$ —
Corporate debt securities	9,484	(4,904)	6,080	(10,544)	(553)	—	9,725	9,288	(5,325)	—
CDOs and CLOs	25,815	(5,892)	48,112	(43,230)	(275)	—	(3,395)	21,135	(5,614)	—
RMBS	19,603	(2,573)	2,166	(2,022)	(171)	—	926	17,929	(2,166)	—
CMBS	10,886	(2,196)	11	(2,023)	(6,638)	—	5,422	5,462	(4,326)	—
Other ABS	53,175	(929)	14,698	(2,494)	(30,623)	—	771	34,598	(961)	—
Loans and other receivables	46,985	3,933	178,069	(166,496)	(8,379)	—	21,451	75,563	682	—
Investments at fair value	113,831	(3,971)	31,583	(296)	—	—	(8,642)	132,505	(3,971)	—
Securities purchased under agreements to resell	—	—	—	—	—	25,000	—	25,000	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ —	$ 401	$ —	$ —	$ (190)	$ —	$ —	$ 211	$ (35)	$ —
Corporate debt securities	522	(867)	—	—	(524)	—	2,071	1,202	867	—
CMBS	—	—	—	35	—	—	—	35	—	—
Loans	6,376	(1,342)	(8,553)	9,929	—	—	10,220	16,630	1,583	—
Net derivatives (2)	21,614	(48,746)	(2,829)	16,313	1,609	—	62,802	50,763	40,052	—
Long-term debt	200,745	(5,286)	—	—	(11,250)	204,710	(40,856)	348,063	(4,517)	9,804

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the Nine Months Ended August 31, 2019

During the nine months ended August 31, 2019, transfers of assets of $60.2 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Loans and other receivables of $30.6 million, other ABS of $10.8 million and Corporate debt securities of $10.5 million due to reduced pricing transparency.

During the nine months ended August 31, 2019, transfers of assets of $47.8 million from Level 3 to Level 2 are primarily attributed to:

- Corporate equity securities of $14.8 million, other ABS of $10.0 million, Loans and other receivables of $9.2 million and Investments at fair value of $8.6 million due to greater pricing transparency supporting classification into Level 2.

During the nine months ended August 31, 2019, transfers of liabilities of $98.3 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Net derivatives of $64.5 million and structured notes of $20.8 million due to reduced market and pricing transparency.

During the nine months ended August 31, 2019, transfers of liabilities of $64.1 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes of $61.7 million due to greater market transparency.

Net losses on Level 3 assets were $0.2 million and net gains on Level 3 liabilities were $55.8 million for the nine months ended August 31, 2019. Net losses on Level 3 assets were primarily due to decreased market values across Corporate debt securities, CDOs and CLOs and Investments at fair value, partially offset by increased market values across Corporate equity securities. Net gains on Level 3 liabilities were primarily due to decreased market values across derivatives and valuations of certain structured notes.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the three months ended August 31, 2018 (in thousands):

	Three Months Ended August 31, 2018									
									For instruments still held at August 31, 2018, changes in unrealized gains/(losses) included in:	
	Balance at May 31, 2018	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2018	earnings (1)	other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 42,901	$ 12,128	$ 17,652	$(23,010)	$ (302)	$ —	$(1,324)	$48,045	$ 9,468	$ —
Corporate debt securities	28,066	1,057	507	(21,403)	(59)	—	1,483	9,651	(165)	—
CDOs and CLOs	30,603	567	238,281	(240,002)	(2,127)	—	(3,721)	23,601	(2,338)	—
RMBS	3,655	(66)	72	(1,597)	(1)	—	2,891	4,954	90	—
CMBS	27,239	(222)	8	—	(1,156)	—	(1,953)	23,916	(288)	—
Other ABS	55,535	(2,269)	307,358	(290,838)	(4,356)	—	3,875	69,305	(1,124)	—
Loans and other receivables	64,036	(1,353)	14,932	(23,700)	(3,453)	—	(1,477)	48,985	1,007	—
Investments at fair value	79,488	—	51	—	—	—	—	79,539	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 87	$ 326	$ —	$ —	$ —	$ —	$ —	$ 413	$ (326)	$ —
Corporate debt securities	522	39	—	—	996	—	—	1,557	(39)	—
Sovereign obligations	—	3	(598)	629	—		21	55	(124)	—

CMBS	—	70	—	—	—	—	—	70	(70)	—
Loans	12,881	(148)	(4,871)	1,787	—	—	(988)	8,661	149	—
Net derivatives (2)	5,874	1,107	—	—	1,990	—	26	8,997	(2,090)	—
Long-term debt	160,626	3,004	—	—	—	—	—	163,630	(2,953)	(51)

(1) Realized and unrealized gains/losses are reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statement of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the three months ended August 31, 2018

During the three months ended August 31, 2018, transfers of assets of $13.6 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Other ABS of $3.9 million, RMBS of $2.9 million and CMBS of $2.6 million due to reduced pricing transparency.

During the three months ended August 31, 2018, transfers of assets of $13.8 million from Level 3 to Level 2 are primarily attributed to:

- CMBS of $4.6 million, CDOs and CLOs of $3.7 million and corporate equity securities of $2.6 million due to greater pricing transparency supporting classification into Level 2.

Net gains on Level 3 assets were $9.8 million and net losses on Level 3 liabilities were $4.4 million for the three months ended August 31, 2018. Net gains on Level 3 assets were primarily due to increased market values in corporate equity securities. Net losses on Level 3 liabilities were primarily due to increased valuations of certain structured notes.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the nine months ended August 31, 2018 (in thousands):

	Nine Months Ended August 31, 2018									
									For instruments still held at August 31, 2018, changes in unrealized gains/(loses) included in:	
	Balance at November 30, 2017	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2018	earnings (1)	other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 22,009	$ 30,098	$ 35,993	$(39,008)	$ (2,082)	$ —	$ 1,035	$ 48,045	$25,475	$ —
Corporate debt securities	26,036	1,090	22,204	(38,553)	(2,066)	—	940	9,651	(1,738)	—
CDOs and CLOs	30,004	(2,323)	242,864	(249,691)	(5,859)	—	8,606	23,601	(5,533)	—
RMBS	26,077	(7,334)	2,018	(12,621)	(6)	—	(3,180)	4,954	316	—
CMBS	12,419	(1,236)	1,720	(548)	(5,415)	—	16,976	23,916	(2,272)	—
Other ABS	61,129	(7,528)	523,045	(495,055)	(12,281)	—	(5)	69,305	(3,307)	—
Loans and other receivables	47,304	(2,812)	104,009	(98,733)	(14,610)	—	13,827	48,985	(3,769)	—
Investments at fair value	93,454	417	2,291	(17,569)	—	—	946	79,539	(177)	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 48	$ 365	$ —	$ —	$ —	$ —	$ —	$ 413	$ (365)	$ —
Corporate debt securities	522	39	—	—	996	—	—	1,557	(39)	—
Sovereign obligations	—	3	(598)	629	—		21	55	(124)	—
CMBS	105	(35)	—	—	—	—	—	70	(70)	—

Loans	3,486	(1,059)	(15,702)	19,409	—	—	2,527	8,661	1,059	—
Net derivatives (2)	6,746	(1,034)	(6)	—	2,984	296	11	8,997	(2,660)	—
Long-term debt	—	(25,078)	—	—	—	81,284	107,424	163,630	13,235	11,843

(1) Realized and unrealized gains/losses are reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statement of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Analysis of Level 3 Assets and Liabilities for the Nine Months Ended August 31, 2018

During the nine months ended August 31, 2018, transfers of assets of $49.1 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- CMBS of $17.0 million, loans and other receivables of $15.3 million and CDOs and CLOs of $8.7 million due to reduced pricing transparency.

During the nine months ended August 31, 2018, transfers of assets of $10.0 million from Level 3 to Level 2 are primarily attributed to:

- RMBS of $4.6 million and corporate equity securities of $2.5 million due to greater pricing transparency supporting classification into Level 2.

During the nine months ended August 31, 2018, there were transfers of structured notes of $107.4 million from Level 2 to Level 3 due to a decrease in market observability.

Net gains on Level 3 assets were $10.4 million and net gains on Level 3 liabilities were $26.8 million for the nine months ended August 31, 2018. Net gains on Level 3 assets were primarily due to increased market values in corporate equity securities, partially offset by decreased market values across other ABS, RMBS and certain loans and other receivables. Net gains on Level 3 liabilities were primarily due to decreased valuations of certain structured notes.

Quantitative Information about Significant Unobservable Inputs used in Level 3 Fair Value Measurements at August 31, 2019 and November 30, 2018

The tables below present information on the valuation techniques, significant unobservable inputs and their ranges for our financial assets and liabilities, subject to threshold levels related to the market value of the positions held, measured at fair value on a recurring basis with a significant Level 3 balance. The range of unobservable inputs could differ significantly across different firms given the range of products across different firms in the financial services sector. The inputs are not representative of the inputs that could have been used in the valuation of any one financial instrument (*i.e.*, the input used for valuing one financial instrument within a particular class of financial instruments may not be appropriate for valuing other financial instruments within that given class). Additionally, the ranges of inputs presented below should not be construed to represent uncertainty regarding the fair values of our financial instruments; rather, the range of inputs is reflective of the differences in the underlying characteristics of the financial instruments in each category.

For certain categories, we have provided a weighted average of the inputs allocated based on the fair values of the financial instruments comprising the category. We do not believe that the range or weighted average of the inputs is indicative of the reasonableness of uncertainty of our Level 3 fair values. The range and weighted average are driven by the individual financial instruments within each category and their relative distribution in the population. The disclosed inputs when compared with the inputs as disclosed in other periods should not be expected to necessarily be indicative of changes in our estimates of unobservable inputs for a particular financial instrument as the population of financial instruments comprising the category will vary from period to period based on purchases and sales of financial instruments during the period as well as transfers into and out of Level 3 each period.

August 31, 2019

Financial Instruments Owned:	Fair Value (in thousands)	Valuation Technique	Significant Unobservable Input (s)	Input / Range	Weighted Average
Corporate equity securities	$ 45,344				
Non-exchange-traded securities		Market approach	Price	$3-$177	$ 143
			Underlying stock price	$3-$5	$ 4
Corporate debt securities	$ 9,288	Scenario analysis	Estimated recovery percentage	38%-49%	42%
			Volatility	44%	—

			Credit Spread	750	—
			Underlying stock price	£0.4	—
CDOs and CLOs	$ 21,135	Discounted cash flows	Constant prepayment rate	15%-20%	19%
			Constant default rate	1%-2%	2%
			Loss severity	25%-30%	27%
			Discount rate/yield	13%-16%	14%
RMBS	$ 17,929	Discounted cash flows	Cumulative loss rate	2%	—
			Duration (years)	7	—
			Discount rate/yield	3%	—
CMBS	$ 5,462	Discounted cash flows	Cumulative loss rate	80%	—
			Duration (years)	1	—
			Discount rate/yield	5%	—
		Scenario analysis	Estimated recovery percentage	44%	—
Other ABS	$ 34,598	Discounted cash flows	Cumulative loss rate	7%-31%	18%
			Duration (years)	1-3	2
			Discount rate/yield	7%-12%	11%
Loans and other receivables	$ 74,057	Market approach	Price	$41-$100	$ 81
		Scenario analysis	Estimated recovery percentage	1%-117%	68%
Derivatives	$ 13,538				
Interest rate swaps		Market approach	Basis points upfront	0-7	3
Investments at fair value	$ 106,386				
Private equity securities		Market approach	Price	$8-$250	$ 125
		Scenario analysis	Discount rate/yield	20%	—
			Revenue growth	0%	—
Securities purchased under agreements to resell	$ 25,000	Market approach	Spread to 6 month LIBOR	500	—
			Duration (years)	2	—
Financial Instruments Sold, Not Yet Purchased:					
Loans	$ 16,630	Market approach	Price	$50-$98	$ 78
		Scenario analysis	Estimated recovery percentage	1%-75%	27%
Derivatives	$ 65,927				
Equity options		Volatility benchmarking	Volatility	29%-59%	42%
Interest rate swaps		Market approach	Basis points upfront	0-10	4
Cross currency swaps			Basis points upfront	2	—
Unfunded commitments			Price	$90	—
Long-term debt					
Structured notes	$ 348,063	Market approach	Price	$89-$102	$ 97
			Price	€70-€103	€ 89

November 30, 2018

Financial Instruments Owned:	Fair Value (in thousands)	Valuation Technique	Significant Unobservable Input (s)	Input / Range	Weighted Average
Corporate equity securities	$ 43,664				
Non-exchange-traded securities		Market approach	Price	$1-$75	$ 12
			Transaction level	$47	—
Corporate debt securities	$ 9,484	Market approach	Estimated recovery percentage	46%	—
			Transaction level	$80	—
CDOs and CLOs	$ 25,815	Discounted cash flows	Constant prepayment rate	10%-20%	18%
			Constant default rate	1%-2%	2%
			Loss severity	25%-30%	26%
			Discount rate/yield	11%-16%	14%
		Scenario analysis	Estimated recovery percentage	2%	—
RMBS	$ 19,603	Discounted cash flows	Cumulative loss rate	4%	—
			Duration (years)	13	—

			Loss severity	0%	—
			Discount rate/yield	3%	—
		Market approach	Price	$100	—
CMBS	$ 9,444	Discounted cash flows	Cumulative loss rate	8%-85%	45%
			Duration (years)	1-3	1
			Loss severity	64%	—
			Discount rate/yield	2%-15%	6%
		Scenario analysis	Estimated recovery percentage	26%	—
			Price	$49	—
Other ABS	$ 53,175	Discounted cash flows	Cumulative loss rate	12%-30%	22%
			Duration (years)	1-2	1
			Discount rate/yield	6%-12%	8%
		Market approach	Price	$100	—
Loans and other receivables	$ 46,078	Market approach	Price	$50-$100	$ 96
		Scenario analysis	Estimated recovery percentage	13%-117%	105%
Derivatives	$ 4,602				
Total return swaps		Market approach	Price	$97	—
Investments at fair value	$ 113,831				
Private equity securities		Market approach	Price	$3-$250	$ 108
			Transaction level	$169	—
		Scenario analysis	Discount rate/yield	20%	—
			Revenue growth	0%	—
Financial Instruments Sold, Not Yet Purchased:					
Loans	$ 6,376	Market approach	Price	$50-$101	$ 74
Derivatives	$ 27,536				
Equity options		Option model/default rate	Default probability	0%	—
		Volatility benchmarking	Volatility	39%-62%	50%
Interest rate swaps		Market approach	Price	$20	—
Total return swaps		Market approach	Price	$97	—
Long-term debt					
Structured notes	$ 200,745	Market approach	Price	$78-$94	$ 86
			Price	€68-€110	€ 96

The fair values of certain Level 3 assets and liabilities that were determined based on third-party pricing information, unadjusted past transaction prices, reported NAV or a percentage of the reported enterprise fair value are excluded from the above tables. At August 31, 2019 and November 30, 2018, asset exclusions consisted of $35.4 million and $11.1 million, respectively, primarily comprised of private equity securities, corporate equity securities, loans and other receivables and certain derivatives. At August 31, 2019 and November 30, 2018, liability exclusions consisted of $2.3 million and $0.5 million, respectively, primarily comprised of corporate debt and certain derivatives.

Uncertainty of Fair Value Measurement from Use of Significant Unobservable Inputs

For recurring fair value measurements categorized within Level 3 of the fair value hierarchy, the uncertainty of the fair value measurement due to the use of significant unobservable inputs and interrelationships between those unobservable inputs (if any) are described below:

- Non-exchange-traded equity securities, corporate debt securities, loans and other receivables, certain derivatives, RMBS, other ABS, private equity securities, securities purchased under agreements to resell and structured notes using a market approach valuation technique. A significant increase (decrease) in the transaction level of a non-exchange-traded security, corporate debt security and private equity security would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the underlying stock price of the non-exchange-traded securities would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the price of the private equity securities, non-exchange-traded securities, total return swaps, interest rate swaps, unfunded commitments, RMBS, other ABS, loans and other receivables or structured notes would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the estimated recovery rates of the cash flow outcomes underlying the corporate debt securities or

loans and other receivables would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the yield or duration, in isolation, of securities purchased under agreements to resell would result in a significantly lower (higher) fair value measurement. Depending on whether we are a receiver or (payer) of basis points upfront, a significant increase in basis points would result in a significant increase (decrease) in the fair value measurement of cross currency and interest rate swaps.

- Loans and other receivables, CDOs and CLOs, CMBS, corporate debt and private equity securities using scenario analysis. A significant increase (decrease) in the possible recovery rates of the cash flow outcomes underlying the financial instrument would result in a significantly higher (lower) fair value measurement for the financial instrument. A significant increase (decrease) in the price of the underlying stock price or underlying assets of the financial instrument would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the volatility of the underlying stock price would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the credit spread of the financial instrument would result in a significantly lower (higher) fair value measurement. A significant increase (decrease) in the discount rate/yield underlying the investment would result in a significantly lower (higher) fair value measurement. A significant increase (decrease) in the revenue growth underlying the investment would result in a significantly higher (lower) fair value measurement.

- CDOs and CLOs, RMBS, CMBS and other ABS using a discounted cash flow valuation technique. A significant increase (decrease) in isolation in the constant default rate, loss severity or cumulative loss rate would result in a significantly lower (higher) fair value measurement. The impact of changes in the constant prepayment rate and duration would have differing impacts depending on the capital structure and type of security. A significant increase (decrease) in the discount rate/security yield would result in a significantly lower (higher) fair value measurement.

- Derivative equity options using an option/default rate model. A significant increase (decrease) in default probability would result in a significantly lower (higher) fair value measurement.

- Derivative equity options using volatility benchmarking. A significant increase (decrease) in volatility would result in a significantly higher (lower) fair value measurement.

Fair Value Option Election

We have elected the fair value option for all loans and loan commitments made by our capital markets businesses. These loans and loan commitments include loans entered into by our investment banking division in connection with client bridge financing and loan syndications, loans purchased by our leveraged credit trading desk as part of its bank loan trading activities and mortgage and consumer loan commitments, purchases and fundings in connection with mortgage- and other asset-backed securitization activities. Loans and loan commitments originated or purchased by our leveraged credit and mortgage-backed businesses are managed on a fair value basis. Loans are included in Financial instruments owned and loan commitments are included in Financial instruments owned and Financial instruments sold, not yet purchased in our Consolidated Statements of Financial Condition. The fair value option election is not applied to loans made to affiliate entities as such loans are entered into as part of ongoing, strategic business ventures. Loans to affiliate entities are included in Loans to and investments in related parties in our Consolidated Statements of Financial Condition and are accounted for on an amortized cost basis. We have also elected the fair value option for certain of our structured notes and securities purchased under agreements to resell, which are managed by our capital markets businesses and are included in Long-term debt and Securities purchased under agreements to resell in our Consolidated Statements of Financial Condition, respectively. We have elected the fair value option for certain financial instruments held by subsidiaries as the investments are risk managed by us on a fair value basis. The fair value option may be elected for certain secured financings that arise in connection with our securitization activities and other structured financings. Other secured financings, Receivables – Brokers, dealers and clearing organizations, Receivables – Customers, Receivables – Fees, interest and other, Payables – Brokers, dealers and clearing organizations and Payables – Customers, are accounted for at cost plus accrued interest rather than at fair value; however, the recorded amounts approximate fair value due to their liquid or short-term nature.

The following is a summary of gains (losses) due to changes in instrument specific credit risk on loans, other receivables and debt instruments and gains (losses) due to other changes in fair value on Long-term debt measured at fair value under the fair value option (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Financial instruments owned:				
Loans and other receivables	$ 2,040	$ 14,002	$ (5,458)	$ 7,495

Financial instruments sold, not yet purchased:				
Loans	$ —	$ (2,708)	$ —	$ (2,467)
Loan commitments	(443)	(1,695)	(1,200)	(1,964)
Long-term debt:				
Changes in instrument specific credit risk (1)	$ 6,922	$ 1,401	$ 34,414	$ 19,986
Other changes in fair value (2)	(46,003)	(6,842)	(93,311)	33,626

(1) Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Other changes in fair value are included in Principal transactions revenues in our Consolidated Statements of Earnings.

The following is a summary of the amount by which contractual principal exceeds fair value for loans and other receivables and long-term debt measured at fair value under the fair value option (in thousands):

	August 31, 2019	November 30, 2018
Financial instruments owned:		
Loans and other receivables (1)	$ 1,356,508	$ 961,554
Loans and other receivables on nonaccrual status and/or 90 days or greater past due (1) (2)	139,795	158,392
Long-term debt	59,370	114,669

(1) Interest income is recognized separately from other changes in fair value and is included in Interest revenues in our Consolidated Statements of Earnings.

(2) Amounts include loans and other receivables 90 days or greater past due by which contractual principal exceeds fair value of $20.9 million and $20.5 million at August 31, 2019 and November 30, 2018, respectively.

The aggregate fair value of loans and other receivables on nonaccrual status and/or 90 days or greater past due was $113.4 million and $105.3 million at August 31, 2019 and November 30, 2018, respectively, which includes loans and other receivables 90 days or greater past due of $31.9 million and $19.4 million at August 31, 2019 and November 30, 2018, respectively.

Financial Instruments Not Measured at Fair Value

Certain of our financial instruments are not carried at fair value but are recorded at amounts that approximate fair value due to their liquid or short-term nature and generally negligible credit risk. These financial assets include Cash and cash equivalents and Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations and would generally be presented within Level 1 of the fair value hierarchy. Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations includes U.S. Treasury securities with a fair value of $35.0 million and $34.8 million at August 31, 2019 and November 30, 2018, respectively.

Variable Interest Entities

9 Months Ended Aug. 31, 2019

Equity Method Investments and Joint Ventures [Abstract]

Variable Interest Entities

Variable Interest Entities

VIEs are entities in which equity investors lack the characteristics of a controlling financial interest. VIEs are consolidated by the primary beneficiary. The primary beneficiary is the party who has both (1) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (2) an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity.

Our variable interests in VIEs include debt and equity interests, commitments, guarantees and certain fees. Our involvement with VIEs arises primarily from:

- Purchases of securities in connection with our trading and secondary market-making activities;
- Retained interests held as a result of securitization activities, including the resecuritization of mortgage- and other asset-backed securities and the securitization of commercial mortgage, corporate and consumer loans;
- Acting as placement agent and/or underwriter in connection with client-sponsored securitizations;
- Financing of agency and non-agency mortgage- and other asset-backed securities;
- Warehouse funding arrangements for client-sponsored consumer loan vehicles and CLOs through participation certificates, forward sale agreements and revolving loan and note commitments; and
- Loans to, investments in and fees from various investment vehicles.

We determine whether we are the primary beneficiary of a VIE upon our initial involvement with the VIE and we reassess whether we are the primary beneficiary of a VIE on an ongoing basis. Our determination of whether we are the primary beneficiary of a VIE is based upon the facts and circumstances for each VIE and requires judgment. Our considerations in determining the VIE's most significant activities and whether we have power to direct those activities include, but are not limited to, the VIE's purpose and design and the risks passed through to investors, the voting interests of the VIE, management, service and/or other agreements of the VIE, involvement in the VIE's initial design and the existence of explicit or implicit financial guarantees. In situations where we have determined that the power over the VIE's significant activities is shared, we assess whether we are the party with the power over the most significant activities. If we are the party with the power over the most significant activities, we meet the "power" criteria of the primary beneficiary. If we do not have the power over the most significant activities or we determine that decisions require consent of each sharing party, we do not meet the "power" criteria of the primary beneficiary.

We assess our variable interests in a VIE both individually and in aggregate to determine whether we have an obligation to absorb losses of or a right to receive benefits from the VIE that could potentially be significant to the VIE. The determination of whether our variable interest is significant to the VIE requires judgment. In determining the significance of our variable interest, we consider the terms, characteristics and size of the variable interests, the design and characteristics of the VIE, our involvement in the VIE and our market-making activities related to the variable interests.

Consolidated VIEs

The following table presents information about our consolidated VIEs at August 31, 2019 and November 30, 2018 (in millions). The assets and liabilities in the tables below are presented prior to consolidation and thus a portion of these assets and liabilities are eliminated in consolidation.

	August 31, 2019		November 30, 2018	
	Securitization Vehicles	Other	Securitization Vehicles	Other

Cash	$ —	$ 1.2	$ —	$ 1.1
Financial instruments owned	—	0.3	—	0.4
Securities purchased under agreements to resell (1)	1,822.1	—	883.1	—
Total assets	$ 1,822.1	$ 1.5	$ 883.1	$ 1.5
Other secured financings (2)	$ 1,820.8	$ —	$ 882.5	$ —
Other liabilities	1.3	0.2	0.6	0.2
Total liabilities	$ 1,822.1	$ 0.2	$ 883.1	$ 0.2

(1) Securities purchased under agreements to resell represent amounts due under collateralized transactions on related consolidated entities, which are eliminated in consolidation.

(2) Approximately $1.0 million of the secured financing represent amounts held by us in inventory and are eliminated in consolidation at November 30, 2018.

Securitization Vehicles. We are the primary beneficiary of asset-backed financing vehicles to which we sell agency and non-agency residential and commercial mortgage loans, and mortgage-backed securities, and consumer loans pursuant to the terms of a master repurchase agreement. Our variable interests in these vehicles consist of our collateral margin maintenance obligations under the master repurchase agreement, which we manage, and retained interests in securities issued. The assets of these VIEs consist of reverse repurchase agreements, which are available for the benefit of the vehicle's debt holders. The creditors of these VIEs do not have recourse to our general credit and each such VIE's assets are not available to satisfy any other debt.

Other. We are the primary beneficiary of certain investment vehicles set up for the benefit of our employees. We manage and invest alongside our employees in these vehicles. The assets of these VIEs consist of private equity securities and are available for the benefit of the entities' equity holders. Our variable interests in these vehicles consist of equity securities. The creditors of these VIEs do not have recourse to our general credit and each such VIE's assets are not available to satisfy any other debt.

Nonconsolidated VIEs

The following tables present information about our variable interests in nonconsolidated VIEs (in millions):

	August 31, 2019			
	Carrying Amount		Maximum Exposure to Loss	VIE Assets
	Assets	Liabilities		
CLOs	$ 124.0	$ 0.9	$ 801.5	$ 7,889.6
Consumer loan and other asset-backed vehicles	525.1	—	668.8	3,020.6
Related party private equity vehicles	28.7	—	46.2	83.7
Other investment vehicles	399.1	—	410.0	6,550.7
Total	$ 1,076.9	$ 0.9	$ 1,926.5	$ 17,544.6

	November 30, 2018			
	Carrying Amount		Maximum Exposure to Loss	VIE Assets
	Assets	Liabilities		
CLOs	$ 42.1	$ —	$ 568.3	$ 3,088.9
Consumer loan and other asset-backed vehicles	462.1	—	807.1	3,273.1
Related party private equity vehicles	35.5	—	53.5	108.3
Other investment vehicles	95.0	—	99.1	3,558.1
Total	$ 634.7	$ —	$ 1,528.0	$ 10,028.4

Our maximum exposure to loss often differs from the carrying value of the variable interests. The maximum exposure to loss is dependent on the nature of our variable interests in the VIEs and is limited to the notional amounts of certain loan and equity commitments and guarantees. Our maximum exposure to loss does not include the offsetting benefit of any financial instruments that may be utilized to hedge the risks associated with our variable interests and is not reduced by the amount of collateral held as part of a

transaction with a VIE.

Collateralized Loan Obligations. Assets collateralizing the CLOs include bank loans, participation interests and sub-investment grade and senior secured U.S. loans. We underwrite securities issued in CLO transactions on behalf of sponsors and provide advisory services to the sponsors. We may also sell corporate loans to the CLOs. Our variable interests in connection with CLOs where we have been involved in providing underwriting and/or advisory services consist of the following:

- Forward sale agreements whereby we commit to sell, at a fixed price, corporate loans and ownership interests in an entity holding such corporate loans to CLOs;
- Warehouse funding arrangements in the form of participation interests in corporate loans held by CLOs and commitments to fund such participation interests;
- Trading positions in securities issued in a CLO transaction; and
- Investments in variable funding notes issued by CLOs.

Consumer Loan and other Asset-Backed Vehicles. We provide financing and lending related services to certain client-sponsored VIEs in the form of revolving funding note agreements, revolving credit facilities, forward purchase agreements and reverse repurchase agreements. The underlying assets, which are collateralizing the vehicles, are primarily composed of unsecured consumer and small business loans, and trade claims. In addition, we may provide structuring and advisory services and act as an underwriter or placement agent for securities issued by the vehicles. We do not control the activities of these entities.

Related Party Private Equity Vehicles. We committed to invest in private equity funds, (the "JCP Funds", including JCP Fund V (see Note 9, Investments)) managed by Jefferies Capital Partners, LLC (the "JCP Manager"). Additionally, we committed to invest in the general partners of the JCP Funds (the "JCP General Partners") and the JCP Manager. Our variable interests in the JCP Funds, JCP General Partners and JCP Manager (collectively, the "JCP Entities") consist of equity interests that, in total, provide us with limited and general partner investment returns of the JCP Funds, a portion of the carried interest earned by the JCP General Partners and a portion of the management fees earned by the JCP Manager. At both August 31, 2019 and November 30, 2018, our total equity commitment in the JCP Entities was $139.3 million, of which $121.7 million and $121.3 million had been funded, respectively. The carrying value of our equity investments in the JCP Entities was $28.7 million and $35.5 million at August 31, 2019 and November 30, 2018, respectively. Our exposure to loss is limited to the total of our carrying value and unfunded equity commitment. The assets of the JCP Entities primarily consist of private equity and equity related investments.

Other Investment Vehicles. At August 31, 2019 and November 30, 2018, we had equity commitments to invest $400.2 million and $112.2 million, respectively, in various other investment vehicles, of which $389.2 million and $108.1 million was funded, respectively. The carrying value of our equity investments was $399.1 million and $95.0 million at August 31, 2019 and November 30, 2018, respectively. Our exposure to loss is limited to the total of our carrying value and unfunded equity commitment. These investment vehicles have assets primarily consisting of private and public equity investments, debt instruments, trade and insurance claims and various oil and gas assets.

Mortgage- and Other Asset-Backed Securitization Vehicles. In connection with our secondary trading and market-making activities, we buy and sell agency and non-agency mortgage-backed securities and other asset-backed securities, which are issued by third-party securitization SPEs and are generally considered variable interests in VIEs. Securities issued by securitization SPEs are backed by residential mortgage loans, U.S. agency collateralized mortgage obligations, commercial mortgage loans, CDOs and CLOs and other consumer loans, such as installment receivables, auto loans and student loans. These securities are accounted for at fair value and included in Financial instruments owned in our Consolidated Statements of Financial Condition. We have no other involvement with the related SPEs and therefore do not consolidate these entities.

We also engage in underwriting, placement and structuring activities for third-party-sponsored securitization trusts generally through agency (FNMA ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac") or GNMA ("Ginnie Mae")) or non-agency-sponsored SPEs and may purchase loans or mortgage-backed securities from third parties that are subsequently transferred into the securitization trusts. The securitizations are backed by residential and commercial mortgage, home equity and auto loans. We do not consolidate agency-sponsored securitizations as we do not have the power to direct the activities of the SPEs that most significantly impact their economic performance. Further, we are not the servicer of non-agency-sponsored securitizations and therefore do not have power to direct the

most significant activities of the SPEs and accordingly, do not consolidate these entities. We may retain unsold senior and/or subordinated interests at the time of securitization in the form of securities issued by the SPEs.

At August 31, 2019 and November 30, 2018, we held $1,712.9 million and $2,913.0 million of agency mortgage-backed securities, respectively, and $191.2 million and $170.5 million of non-agency mortgage and other asset-backed securities, respectively, as a result of our secondary trading and market-making activities, and underwriting, placement and structuring activities. Our maximum exposure to loss on these securities is limited to the carrying value of our investments in these securities. These mortgage- and other asset-backed securitization vehicles discussed are not included in the above table containing information about our variable interests in nonconsolidated VIEs.

Variable Interest Entities (Tables)

9 Months Ended Aug. 31, 2019

Equity Method Investments and Joint Ventures [Abstract]

Assets and Liabilities of Consolidated VIEs Prior to Consolidation

The following table presents information about our consolidated VIEs at August 31, 2019 and November 30, 2018 (in millions). The assets and liabilities in the tables below are presented prior to consolidation and thus a portion of these assets and liabilities are eliminated in consolidation.

	August 31, 2019		November 30, 2018	
	Securitization Vehicles	Other	Securitization Vehicles	Other
Cash	$ —	$ 1.2	$ —	$ 1.1
Financial instruments owned	—	0.3	—	0.4
Securities purchased under agreements to resell (1)	1,822.1	—	883.1	—
Total assets	$ 1,822.1	$ 1.5	$ 883.1	$ 1.5
Other secured financings (2)	$ 1,820.8	$ —	$ 882.5	$ —
Other liabilities	1.3	0.2	0.6	0.2
Total liabilities	$ 1,822.1	$ 0.2	$ 883.1	$ 0.2

(1) Securities purchased under agreements to resell represent amounts due under collateralized transactions on related consolidated entities, which are eliminated in consolidation.

(2) Approximately $1.0 million of the secured financing represent amounts held by us in inventory and are eliminated in consoli

Variable Interests in Non-Consolidated Variable Interest Entities

idated VIEsThe following tables present information about our variable interests in nonconsolidated VIEs (in mi

Fair Value Disclosures (Tables)

9 Months Ended Aug. 31, 2019

Fair Value Disclosures [Abstract]

Financial Assets and Liabilities Accounted for at Fair Value on Recurring Basis

The following is a summary of our financial assets and liabilities that are accounted for at fair value on a recurring basis, excluding Investments at fair value based on net asset value ("NAV") of $573.5 million and $322.9 million at August 31, 2019 and November 30, 2018, respectively, by level within the fair value hierarchy (in thousands):

	August 31, 2019				
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
Assets:					
Financial instruments owned:					
Corporate equity securities	$ 2,388,213	$ 162,382	$ 50,600	$ —	$ 2,601,195
Corporate debt securities	—	2,892,471	9,288	—	2,901,759
Collateralized debt obligations and collateralized loan obligations	—	114,045	21,135	—	135,180
U.S. government and federal agency securities	2,115,452	204,076	—	—	2,319,528
Municipal securities	—	706,375	—	—	706,375
Sovereign obligations	1,521,540	1,088,927	—	—	2,610,467
Residential mortgage-backed securities	—	1,405,246	17,929	—	1,423,175
Commercial mortgage-backed securities	—	373,319	5,462	—	378,781
Other asset-backed securities	—	490,055	34,598	—	524,653
Loans and other receivables	—	1,460,982	75,563	—	1,536,545
Derivatives	9,258	2,954,937	16,024	(2,494,475)	485,744
Investments at fair value	—	41,548	132,505	—	174,053
Total financial instruments owned, excluding Investments at fair value based on NAV	$ 6,034,463	$11,894,363	$ 363,104	$ (2,494,475)	$15,797,455
Securities purchased under agreements to resell	$ —	$ —	$ 25,000	$ —	$ 25,000
Liabilities:					
Financial instruments sold, not yet purchased:					
Corporate equity securities	$ 2,750,131	$ 7,097	$ 211	$ —	$ 2,757,439
Corporate debt securities	—	1,803,666	1,202	—	1,804,868
U.S. government and federal agency securities	1,922,145	—	—	—	1,922,145
Sovereign obligations	1,281,332	853,882	—	—	2,135,214
Commercial mortgage-backed securities	—	—	35	—	35
Loans	—	1,097,178	16,630	—	1,113,808
Derivatives	7,327	3,087,898	66,787	(2,599,206)	562,806
Total financial instruments sold, not yet purchased	$ 5,960,935	$ 6,849,721	$ 84,865	$ (2,599,206)	$10,296,315
Long-term debt	$ —	$ 666,446	$ 348,063	$ —	$ 1,014,509

(1) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

	November 30, 2018				
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
Assets:					
Financial instruments owned:					
Corporate equity securities	$1,907,945	$ 118,681	$ 51,040	$ —	$ 2,077,666
Corporate debt securities	—	2,683,180	9,484	—	2,692,664

Collateralized debt obligations and collateralized loan obligations	—	72,949	25,815	—	98,764
U.S. government and federal agency securities	1,789,614	56,592	—	—	1,846,206
Municipal securities	—	894,253	—	—	894,253
Sovereign obligations	1,769,556	1,043,409	—	—	2,812,965
Residential mortgage-backed securities	—	2,163,629	19,603	—	2,183,232
Commercial mortgage-backed securities	—	819,406	10,886	—	830,292
Other asset-backed securities	—	239,381	53,175	—	292,556
Loans and other receivables	—	2,056,593	46,985	—	2,103,578
Derivatives	12,186	2,524,988	5,922	(2,412,486)	130,610
Investments at fair value	—	—	113,831	—	113,831
Total financial instruments owned, excluding Investments at fair value based on NAV	$5,479,301	$12,673,061	$336,741	$ (2,412,486)	$16,076,617
Liabilities:					
Financial instruments sold, not yet purchased:					
Corporate equity securities	$1,685,071	$ 1,444	$ —	$ —	$ 1,686,515
Corporate debt securities	—	1,505,618	522	—	1,506,140
U.S. government and federal agency securities	1,384,295	—	—	—	1,384,295
Sovereign obligations	1,735,242	661,095	—	—	2,396,337
Loans	—	1,371,630	6,376	—	1,378,006
Derivatives	26,471	3,585,249	27,536	(2,511,605)	1,127,651
Total financial instruments sold, not yet purchased	$4,831,079	$ 7,125,036	$ 34,434	$ (2,511,605)	$ 9,478,944
Long-term debt	$ —	$ 485,425	$200,745	$ —	$ 686,170

(1) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

Investments Measured at Fair Value Based on Net Asset Value Per Share

The following tables present information about our investments in entities that have the characteristics of an investment company (in thousands):

	August 31, 2019	
	Fair Value (1)	Unfunded Commitments
Equity Long/Short Hedge Funds (2)	$ 292,205	$ —
Equity Funds (3)	33,891	19,154
Commodity Funds (4)	15,212	—
Multi-asset Funds (5)	231,991	—
Other Funds (6)	158	—
Total	$ 573,457	$ 19,154

	November 30, 2018	
	Fair Value (1)	Unfunded Commitments
Equity Long/Short Hedge Funds (2)	$ 15,338	$ —
Equity Funds (3)	40,070	20,996
Commodity Funds (4)	10,129	—
Multi-asset Funds (5)	256,972	—
Other Funds (6)	400	—
Total	$ 322,909	$ 20,996

(1) Where fair value is calculated based on NAV, fair value has been derived from each of the funds' capital statements.

(2) This category includes investments in hedge funds that invest, long and short, primarily in equity securities in domestic and international markets in both the public and private sectors. At August 31, 2019 and November 30, 2018, approximately 94% and 0%, respectively, of the fair value of investments

in this category cannot be redeemed because these investments include restrictions that do not allow for redemption in the first 36 months after acquisition. At August 31, 2019 and November 30, 2018, approximately 6% and 97%, respectively, of the fair value of investments in this category are redeemable quarterly with 60 days prior written notice.

(3) At August 31, 2019 and November 30, 2018, the investments in this category include investments in equity funds that invest in the equity of various U.S. and foreign private companies in the energy, technology, internet service and telecommunication service industries. These investments cannot be redeemed; instead, distributions are received through the liquidation of the underlying assets of the funds which are primarily expected to be liquidated in approximately one to nine years.

(4) This category includes investments in a hedge fund that invests, long and short, primarily in commodities. Investments in this category are redeemable quarterly with 60 days prior written notice.

(5) This category includes investments in hedge funds that invest, long and short, primarily in multi-asset securities in domestic and international markets in both the public and private sectors. At August 31, 2019 and November 30, 2018, investments representing approximately 4% and 15%, respectively, of the fair value of investments in this category are redeemable monthly with 30 days prior written notice.

(6)
This category includes investments in a fund that invests in loans secured by a first trust deed on property, domestic and international public high yield debt, private high yield investments, senior bank loans, public leveraged equities, distressed debt and private equity investments and there are no redemption provisions. This category also includes investments in a fund of funds that invests in various private equity funds that are managed by us and have no redemption provisions. Investments in the fund of funds are gradually being liquidated, however, the timing of when the proceeds will be received is uncertain.

Summary of Changes in Fair Value of Financial Assets and Liabilities Classified as Level 3

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the three months ended August 31, 2018 (in thousands):

	Three Months Ended August 31, 2018									
									For instruments still held at August 31, 2018, changes in unrealized gains/(losses) included in:	
	Balance at May 31, 2018	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2018	earnings (1)	other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 42,901	$ 12,128	$ 17,652	$(23,010)	$ (302)	$ —	$(1,324)	$48,045	$ 9,468	$ —
Corporate debt securities	28,066	1,057	507	(21,403)	(59)	—	1,483	9,651	(165)	—
CDOs and CLOs	30,603	567	238,281	(240,002)	(2,127)	—	(3,721)	23,601	(2,338)	—
RMBS	3,655	(66)	72	(1,597)	(1)	—	2,891	4,954	90	—
CMBS	27,239	(222)	8	—	(1,156)	—	(1,953)	23,916	(288)	—
Other ABS	55,535	(2,269)	307,358	(290,838)	(4,356)	—	3,875	69,305	(1,124)	—
Loans and other receivables	64,036	(1,353)	14,932	(23,700)	(3,453)	—	(1,477)	48,985	1,007	—
Investments at fair value	79,488	—	51	—	—	—	—	79,539	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 87	$ 326	$ —	$ —	$ —	$ —	$ —	$ 413	$ (326)	$ —
Corporate debt securities	522	39	—	—	996	—	—	1,557	(39)	—
Sovereign obligations	—	3	(598)	629	—		21	55	(124)	—
CMBS	—	70	—	—	—	—	—	70	(70)	—
Loans	12,881	(148)	(4,871)	1,787	—	—	(988)	8,661	149	—
Net derivatives (2)	5,874	1,107	—	—	1,990	—	26	8,997	(2,090)	—
Long-term debt	160,626	3,004	—	—	—	—	—	163,630	(2,953)	(51)

(1) Realized and unrealized gains/losses are reported in Principal transactions revenues in our Consolidated Statements

of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statement of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the nine months ended August 31, 2019 (in thousands):

	Nine Months Ended August 31, 2019									
									For instruments still held at August 31, 2019, changes in unrealized gains/(losses) included in:	
	Balance at November 30, 2018	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2019	Earnings (1)	Other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 51,040	$ 16,381	$ 23,172	$(25,431)	$ (669)	$ —	$(13,893)	$50,600	$14,953	$ —
Corporate debt securities	9,484	(4,904)	6,080	(10,544)	(553)	—	9,725	9,288	(5,325)	—
CDOs and CLOs	25,815	(5,892)	48,112	(43,230)	(275)	—	(3,395)	21,135	(5,614)	—
RMBS	19,603	(2,573)	2,166	(2,022)	(171)	—	926	17,929	(2,166)	—
CMBS	10,886	(2,196)	11	(2,023)	(6,638)	—	5,422	5,462	(4,326)	—
Other ABS	53,175	(929)	14,698	(2,494)	(30,623)	—	771	34,598	(961)	—
Loans and other receivables	46,985	3,933	178,069	(166,496)	(8,379)	—	21,451	75,563	682	—
Investments at fair value	113,831	(3,971)	31,583	(296)	—	—	(8,642)	132,505	(3,971)	—
Securities purchased under agreements to resell	—	—	—	—	—	25,000	—	25,000	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ —	$ 401	$ —	$ —	$ (190)	$ —	$ —	$ 211	$ (35)	$ —
Corporate debt securities	522	(867)	—	—	(524)	—	2,071	1,202	867	—
CMBS	—	—	—	35	—	—	—	35	—	—
Loans	6,376	(1,342)	(8,553)	9,929	—	—	10,220	16,630	1,583	—
Net derivatives (2)	21,614	(48,746)	(2,829)	16,313	1,609	—	62,802	50,763	40,052	—
Long-term debt	200,745	(5,286)	—	—	(11,250)	204,710	(40,856)	348,063	(4,517)	9,804

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the three months ended August 31, 2019 (in thousands):

	Three Months Ended August 31, 2019
	For instruments still held at August 31, 2019, changes in unrealized gains/(losses)

	Balance at May 31, 2019	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2019	included in: Earnings (1)	Other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$59,307	$ 12,542	$ 16,508	$(17,502)	$ —	$ —	$(20,255)	$50,600	$ 12,062	$ —
Corporate debt securities	7,429	(3,072)	1,175	(1,942)	(85)	—	5,783	9,288	(3,047)	—
CDOs and CLOs	16,195	(1,514)	—	—	—	—	6,454	21,135	(1,503)	—
RMBS	17,266	(1,917)	—	(65)	(22)	—	2,667	17,929	(1,435)	—
CMBS	12,530	(2,003)	—	(1,703)	(3,362)	—	—	5,462	(3,143)	—
Other ABS	43,185	(1,689)	13,497	(6,975)	(5,500)	—	(7,920)	34,598	(1,068)	—
Loans and other receivables	98,484	(2,847)	26,921	(33,409)	(1,287)	—	(12,299)	75,563	(2,392)	—
Investments at fair value	103,833	(6,407)	240	(296)	—	—	35,135	132,505	(6,407)	—
Securities purchased under agreements to resell	25,000	—	—	—	—	—	—	25,000	—	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 221	$ 401	$ (221)	$ —	$ (190)	$ —	$ —	$ 211	$ (35)	$ —
Corporate debt securities	669	(650)	(34)	—	(369)	—	1,586	1,202	649	—
CMBS	—	—	—	35	—	—	—	35	—	—
Loans	9,428	(520)	(10,281)	5,384	—	—	12,619	16,630	531	—
Net derivatives (2)	47,449	(19,519)	—	6,766	(14)	—	16,081	50,763	18,507	—
Long-term debt	236,562	7,455	—	—	—	114,641	(10,595)	348,063	(8,162)	706

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

The following is a summary of changes in fair value of our financial assets and liabilities that have been categorized within Level 3 of the fair value hierarchy for the nine months ended August 31, 2018 (in thousands):

	Nine Months Ended August 31, 2018									
	Balance at November 30, 2017	Total gains/losses (realized and unrealized) (1)	Purchases	Sales	Settlements	Issuances	Net transfers into/ (out of) Level 3	Balance at August 31, 2018	For instruments still held at August 31, 2018, changes in unrealized gains/(loses) included in: earnings (1)	other comprehensive income (1)
Assets:										
Financial instruments owned:										
Corporate equity securities	$ 22,009	$ 30,098	$ 35,993	$(39,008)	$ (2,082)	$ —	$ 1,035	$ 48,045	$25,475	$ —
Corporate debt securities	26,036	1,090	22,204	(38,553)	(2,066)	—	940	9,651	(1,738)	—
CDOs and CLOs	30,004	(2,323)	242,864	(249,691)	(5,859)	—	8,606	23,601	(5,533)	—

RMBS	26,077	(7,334)	2,018	(12,621)	(6)	—	(3,180)	4,954	316	—
CMBS	12,419	(1,236)	1,720	(548)	(5,415)	—	16,976	23,916	(2,272)	—
Other ABS	61,129	(7,528)	523,045	(495,055)	(12,281)	—	(5)	69,305	(3,307)	—
Loans and other receivables	47,304	(2,812)	104,009	(98,733)	(14,610)	—	13,827	48,985	(3,769)	—
Investments at fair value	93,454	417	2,291	(17,569)	—	—	946	79,539	(177)	—
Liabilities:										
Financial instruments sold, not yet purchased:										
Corporate equity securities	$ 48	$ 365	$ —	$ —	$ —	$ —	$ —	$ 413	$ (365)	$ —
Corporate debt securities	522	39	—	—	996	—	—	1,557	(39)	—
Sovereign obligations	—	3	(598)	629	—		21	55	(124)	—
CMBS	105	(35)	—	—	—	—	—	70	(70)	—
Loans	3,486	(1,059)	(15,702)	19,409	—	—	2,527	8,661	1,059	—
Net derivatives (2)	6,746	(1,034)	(6)	—	2,984	296	11	8,997	(2,660)	—
Long-term debt	—	(25,078)	—	—	—	81,284	107,424	163,630	13,235	11,843

(1) Realized and unrealized gains/losses are reported in Principal transactions revenues in our Consolidated Statements of Earnings. Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statement of Comprehensive Income, net of tax.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The tables below present information on the valuation techniques, significant unobservable inputs and their ranges for our financial assets and liabilities, subject to threshold levels related to the market value of the positions held, measured at fair value on a recurring basis with a significant Level 3 balance. The range of unobservable inputs could differ significantly across different firms given the range of products across different firms in the financial services sector. The inputs are not representative of the inputs that could have been used in the valuation of any one financial instrument (*i.e.*, the input used for valuing one financial instrument within a particular class of financial instruments may not be appropriate for valuing other financial instruments within that given class). Additionally, the ranges of inputs presented below should not be construed to represent uncertainty regarding the fair values of our financial instruments; rather, the range of inputs is reflective of the differences in the underlying characteristics of the financial instruments in each category.

For certain categories, we have provided a weighted average of the inputs allocated based on the fair values of the financial instruments comprising the category. We do not believe that the range or weighted average of the inputs is indicative of the reasonableness of uncertainty of our Level 3 fair values. The range and weighted average are driven by the individual financial instruments within each category and their relative distribution in the population. The disclosed inputs when compared with the inputs as disclosed in other periods should not be expected to necessarily be indicative of changes in our estimates of unobservable inputs for a particular financial instrument as the population of financial instruments comprising the category will vary from period to period based on purchases and sales of financial instruments during the period as well as transfers into and out of Level 3 each period.

August 31, 2019

Financial Instruments Owned:	Fair Value (in thousands)	Valuation Technique	Significant Unobservable Input (s)	Input / Range	Weighted Average
Corporate equity securities	$ 45,344				
Non-exchange-traded securities		Market approach	Price	$3-$177	$ 143
			Underlying stock price	$3-$5	$ 4
Corporate debt securities	$ 9,288	Scenario analysis	Estimated recovery percentage	38%-49%	42%
			Volatility	44%	—
			Credit Spread	750	—
			Underlying stock price	£0.4	—
CDOs and CLOs	$ 21,135	Discounted cash flows	Constant prepayment rate	15%-20%	19%
			Constant default rate	1%-2%	2%
			Loss severity	25%-30%	27%
			Discount rate/yield	13%-16%	14%

RMBS	$	17,929	Discounted cash flows	Cumulative loss rate	2%		—
				Duration (years)	7		—
				Discount rate/yield	3%		—
CMBS	$	5,462	Discounted cash flows	Cumulative loss rate	80%		—
				Duration (years)	1		—
				Discount rate/yield	5%		—
			Scenario analysis	Estimated recovery percentage	44%		—
Other ABS	$	34,598	Discounted cash flows	Cumulative loss rate	7%-31%		18%
				Duration (years)	1-3		2
				Discount rate/yield	7%-12%		11%
Loans and other receivables	$	74,057	Market approach	Price	$41-$100	$	81
			Scenario analysis	Estimated recovery percentage	1%-117%		68%
Derivatives	$	13,538					
Interest rate swaps			Market approach	Basis points upfront	0-7		3
Investments at fair value	$	106,386					
Private equity securities			Market approach	Price	$8-$250	$	125
			Scenario analysis	Discount rate/yield	20%		—
				Revenue growth	0%		—
Securities purchased under agreements to resell	$	25,000	Market approach	Spread to 6 month LIBOR	500		—
				Duration (years)	2		—
Financial Instruments Sold, Not Yet Purchased:							
Loans	$	16,630	Market approach	Price	$50-$98	$	78
			Scenario analysis	Estimated recovery percentage	1%-75%		27%
Derivatives	$	65,927					
Equity options			Volatility benchmarking	Volatility	29%-59%		42%
Interest rate swaps			Market approach	Basis points upfront	0-10		4
Cross currency swaps				Basis points upfront	2		—
Unfunded commitments				Price	$90		—
Long-term debt							
Structured notes	$	348,063	Market approach	Price	$89-$102	$	97
				Price	€70-€103	€	89

November 30, 2018

Financial Instruments Owned:	Fair Value (in thousands)		Valuation Technique	Significant Unobservable Input (s)	Input / Range		Weighted Average
Corporate equity securities	$	43,664					
Non-exchange-traded securities			Market approach	Price	$1-$75	$	12
				Transaction level	$47		—
Corporate debt securities	$	9,484	Market approach	Estimated recovery percentage	46%		—
				Transaction level	$80		—
CDOs and CLOs	$	25,815	Discounted cash flows	Constant prepayment rate	10%-20%		18%
				Constant default rate	1%-2%		2%
				Loss severity	25%-30%		26%
				Discount rate/yield	11%-16%		14%
			Scenario analysis	Estimated recovery percentage	2%		—
RMBS	$	19,603	Discounted cash flows	Cumulative loss rate	4%		—
				Duration (years)	13		—
				Loss severity	0%		—
				Discount rate/yield	3%		—
			Market approach	Price	$100		—
CMBS	$	9,444	Discounted cash flows	Cumulative loss rate	8%-85%		45%
				Duration (years)	1-3		1
				Loss severity	64%		—

			Discount rate/yield	2%-15%	6%
		Scenario analysis	Estimated recovery percentage	26%	—
			Price	$49	—
Other ABS	$ 53,175	Discounted cash flows	Cumulative loss rate	12%-30%	22%
			Duration (years)	1-2	1
			Discount rate/yield	6%-12%	8%
		Market approach	Price	$100	—
Loans and other receivables	$ 46,078	Market approach	Price	$50-$100	$ 96
		Scenario analysis	Estimated recovery percentage	13%-117%	105%
Derivatives	$ 4,602				
Total return swaps		Market approach	Price	$97	—
Investments at fair value	$ 113,831				
Private equity securities		Market approach	Price	$3-$250	$ 108
			Transaction level	$169	—
		Scenario analysis	Discount rate/yield	20%	—
			Revenue growth	0%	—
Financial Instruments Sold, Not Yet Purchased:					
Loans	$ 6,376	Market approach	Price	$50-$101	$ 74
Derivatives	$ 27,536				
Equity options		Option model/default rate	Default probability	0%	—
		Volatility benchmarking	Volatility	39%-62%	50%
Interest rate swaps		Market approach	Price	$20	—
Total return swaps		Market approach	Price	$97	—
Long-term debt					
Structured notes	$ 200,745	Market approach	Price	$78-$94	$ 86
			Price	€68-€110	€ 96

Summary of Gains (Losses) Due to Changes in Instrument Specific Credit Risk and Summary of Contractual Principal Exceeds Fair Value for Loans and Other Receivables

The following is a summary of gains (losses) due to changes in instrument specific credit risk on loans, other receivables and debt instruments and gains (losses) due to other changes in fair value on Long-term debt measured at fair value under the fair value option (in thousands):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Financial instruments owned:				
Loans and other receivables	$ 2,040	$ 14,002	$ (5,458)	$ 7,495
Financial instruments sold, not yet purchased:				
Loans	$ —	$ (2,708)	$ —	$ (2,467)
Loan commitments	(443)	(1,695)	(1,200)	(1,964)
Long-term debt:				
Changes in instrument specific credit risk (1)	$ 6,922	$ 1,401	$ 34,414	$ 19,986
Other changes in fair value (2)	(46,003)	(6,842)	(93,311)	33,626

(1) Changes in instrument-specific credit risk related to structured notes are included in our Consolidated Statements of Comprehensive Income, net of tax.

(2) Other changes in fair value are included in Principal transactions revenues in our Consolidated Statements of Earnings.

The following is a summary of the amount by which contractual principal exceeds fair value for loans and other receivables and long-term debt measured at fair value under the fair value option (in thousands):

	August 31, 2019	November 30, 2018
Financial instruments owned:		
Loans and other receivables (1)	$ 1,356,508	$ 961,554

Loans and other receivables on nonaccrual status and/or 90 days or greater past due (1) (2)	139,795	158,392
Long-term debt	59,370	114,669

(1) Interest income is recognized separately from other changes in fair value and is included in Interest revenues in our Consolidated Statements of Earnings.

(2) Amounts include loans and other receivables 90 days or greater past due by which contractual principal exceeds fair value of $20.9 million and $20.5 million at August 31, 2019 and November 30, 2018, respectively.

Long-Term Debt (Tables)

9 Months Ended
Aug. 31, 2019

Debt Disclosure [Abstract]

Summary of Long-Term Debt Carrying Values Including Unamortized Discounts and Premiums

The following summarizes our long-term debt carrying values (including unamortized discounts and premiums, valuation adjustments and debt issuance costs, where applicable) (in thousands):

	Maturity	Effective Interest Rate	August 31, 2019	November 30, 2018
Unsecured long-term debt:				
8.500% Senior Notes	July 15, 2019	—%	$ —	$ 699,659
2.375% Euro Medium Term Notes	May 20, 2020	2.42%	548,566	564,702
6.875% Senior Notes	April 15, 2021	4.40%	779,078	791,814
2.250% Euro Medium Term Notes	July 13, 2022	4.08%	4,171	4,243
5.125% Senior Notes	January 20, 2023	4.55%	610,762	612,928
1.000% Euro Medium Term Notes	July 19, 2024	1.00%	546,855	—
4.850% Senior Notes (1)	January 15, 2027	4.93%	782,156	709,484
6.450% Senior Debentures	June 8, 2027	5.46%	371,998	373,669
4.150% Senior Notes	January 23, 2030	4.26%	988,440	987,788
6.250% Senior Debentures	January 15, 2036	6.03%	511,363	511,662
6.500% Senior Notes	January 20, 2043	6.09%	420,338	420,625
Structured notes (2)	Various	Various	1,014,509	686,170
Total unsecured long-term debt			6,578,236	6,362,744
Secured long-term debt:				
Revolving Credit Facility			188,927	183,539
Total long-term debt (3)			$ 6,767,163	$ 6,546,283

(1) These senior notes with a principal amount of $750.0 million were issued on January 17, 2017. The carrying value includes a loss of $72.3 million and a gain of $24.1 million in the nine months ended August 31, 2019 and 2018, respectively, associated with an interest rate swap based on its designation as a fair value hedge. See Note 5, Derivative Financial Instruments, for further information.

(2) These structured notes contain various interest rate payment terms and are accounted for at fair value, with changes in fair value resulting from a change in the instrument-specific credit risk presented in other comprehensive income and changes in fair value resulting from non-credit components recognized in Principal transactions revenues. A weighted average coupon rate is not meaningful, as all of the structured notes are carried at fair value.

(3)
The total Long-term debt has a fair value of $7,046.6 million and $6,423.6 million at August 31, 2019 and November 30, 2018, respectively, which would be classified as Level 2 and Level 3 in the fair value hierarchy.

Derivative Financial Instruments - Contingent Features (Detail) - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Derivative Instruments and Hedging Activities Disclosure [Abstract]		
Derivative instrument liabilities with credit-risk-related contingent features	$ 113.7	$ 93.5
Collateral posted	(80.0)	(61.5)
Collateral received	57.0	91.5
Return of and additional collateral required in the event of a credit rating downgrade below investment grade (1)	$ 90.6	$ 123.3

Fair Value Disclosures - Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements (Details) $ in Thousands	9 Months Ended Aug. 31, 2019 USD ($)	12 Months Ended Nov. 30, 2018 USD ($)	Aug. 31, 2019	Aug. 31, 2019 $ / shares	Aug. 31, 2019 € / shares	Nov. 30, 2018	Nov. 30, 2018 $ / shares	Nov. 30, 2018 € / shares
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]								
Financial instruments owned, at fair value	$ 16,370,912	$ 16,399,526						
Derivative assets	485,744	130,610						
Financial instruments sold, not yet purchased, at fair value	10,296,315	9,478,944						
Derivative liabilities	562,806	1,127,651						
Value of asset excluded from significant unobservable inputs	35,400	11,100						
Value of liability excluded from significant unobservable inputs	2,300	500						
Corporate equity securities								
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]								
Financial instruments sold, not yet purchased, at fair value	2,757,439	1,686,515						
Corporate debt securities								
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]								
Financial instruments sold, not yet purchased, at fair value	1,804,868	1,506,140						
CMBS								
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]								
Financial instruments sold, not yet purchased, at fair value	35							
Loans								
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]								
Financial instruments sold, not yet purchased, at fair value	1,113,808	1,378,006						
Level 3								
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]								
Derivative assets	16,024	5,922						

Financial instruments sold, not yet purchased, at fair value	84,865	34,434		
Derivative liabilities	66,787	27,536		
Level 3 | Volatility Benchmarking and Market Approach				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Derivative liabilities	65,927			
Level 3 | Corporate equity securities				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, at fair value	45,344	43,664		
Financial instruments sold, not yet purchased, at fair value	211	0		
Level 3 | Non-exchange-traded securities | Market approach | Price | Minimum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input | $ / shares			3	1
Level 3 | Non-exchange-traded securities | Market approach | Price | Maximum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input | $ / shares			177	75
Level 3 | Non-exchange-traded securities | Market approach | Price | Weighted Average				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input | $ / shares			143	12
Level 3 | Non-exchange-traded securities | Market approach | Underlying stock price | Minimum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input | $ / shares			3	
Level 3 | Non-exchange-traded securities | Market approach | Underlying stock price | Maximum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation				

[Line Items]					
Financial instruments owned, measurement input | $ / shares			5		
Level 3 | Non-exchange-traded securities | Market approach | Underlying stock price | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input | $ / shares			4		
Level 3 | Non-exchange-traded securities | Market approach | Transaction level					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input | $ / shares					47
Level 3 | Corporate debt securities					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, at fair value	9,288	9,484			
Financial instruments sold, not yet purchased, at fair value	1,202	522			
Level 3 | Corporate debt securities | Scenario analysis | Underlying stock price					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input | € / shares				0.4	
Level 3 | Corporate debt securities | Scenario analysis | Estimated recovery percentage | Minimum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.38		
Level 3 | Corporate debt securities | Scenario analysis | Estimated recovery percentage | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.49		
Level 3 | Corporate debt securities | Scenario analysis | Estimated recovery percentage | Weighted Average					

Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.42		
Level 3 | Corporate debt securities | Scenario analysis | Volatility					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.44		
Level 3 | Corporate debt securities | Scenario analysis | Credit Spread					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			750		
Level 3 | Corporate debt securities | Market approach | Estimated recovery percentage					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input				0.46	
Level 3 | Corporate debt securities | Market approach | Transaction level					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input | $ / shares					80
Level 3 | CDOs and CLOs					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, at fair value	21,135	25,815			
Level 3 | CDOs and CLOs | Discounted cash flows | Constant prepayment rate | Minimum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.15	0.10	
Level 3 | CDOs and CLOs | Discounted cash flows | Constant prepayment rate | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					

Financial instruments owned, measurement input	0.20	0.20
Level 3 | CDOs and CLOs | Discounted cash flows | Constant prepayment rate | Weighted Average		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.19	0.18
Level 3 | CDOs and CLOs | Discounted cash flows | Constant default rate | Minimum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.01	0.01
Level 3 | CDOs and CLOs | Discounted cash flows | Constant default rate | Maximum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.02	0.02
Level 3 | CDOs and CLOs | Discounted cash flows | Constant default rate | Weighted Average		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.02	0.02
Level 3 | CDOs and CLOs | Discounted cash flows | Loss severity | Minimum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.25	0.25
Level 3 | CDOs and CLOs | Discounted cash flows | Loss severity | Maximum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.30	0.30
Level 3 | CDOs and CLOs | Discounted cash flows | Loss severity | Weighted Average		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		

Financial instruments owned, measurement input			0.27	0.26
Level 3 | CDOs and CLOs | Discounted cash flows | Discount rate/yield | Minimum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.13	0.11
Level 3 | CDOs and CLOs | Discounted cash flows | Discount rate/yield | Maximum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.16	0.16
Level 3 | CDOs and CLOs | Discounted cash flows | Discount rate/yield | Weighted Average				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.14	0.14
Level 3 | CDOs and CLOs | Scenario analysis | Estimated recovery percentage				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input				0.02
Level 3 | RMBS				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, at fair value	$ 17,929	$ 19,603		
Level 3 | RMBS | Discounted cash flows				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input, term	7 years	13 years		
Level 3 | RMBS | Discounted cash flows | Loss severity				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input				0
Level 3 | RMBS | Discounted cash flows | Discount rate/yield				

Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.03	0.03	
Level 3 | RMBS | Discounted cash flows | Cumulative loss rate					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.02	0.04	
Level 3 | RMBS | Market approach | Price					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input | $ / shares					100
Level 3 | CMBS					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, at fair value	$ 5,462	$ 9,444			
Financial instruments sold, not yet purchased, at fair value	$ 35				
Level 3 | CMBS | Discounted cash flows					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input, term	1 year				
Level 3 | CMBS | Discounted cash flows | Minimum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input, term		1 year			
Level 3 | CMBS | Discounted cash flows | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input, term		3 years			
Level 3 | CMBS | Discounted cash flows | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					

Financial instruments owned, measurement input, term	1 year	
Level 3 | CMBS | Discounted cash flows | Loss severity		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input		0.64
Level 3 | CMBS | Discounted cash flows | Discount rate/yield		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.05	
Level 3 | CMBS | Discounted cash flows | Discount rate/yield | Minimum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input		0.02
Level 3 | CMBS | Discounted cash flows | Discount rate/yield | Maximum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input		0.15
Level 3 | CMBS | Discounted cash flows | Discount rate/yield | Weighted Average		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input		0.06
Level 3 | CMBS | Discounted cash flows | Cumulative loss rate		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input	0.80	
Level 3 | CMBS | Discounted cash flows | Cumulative loss rate | Minimum		
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]		
Financial instruments owned, measurement input		0.08

Level 3 | CMBS | Discounted cash flows | Cumulative loss rate | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input				0.85	
Level 3 | CMBS | Discounted cash flows | Cumulative loss rate | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input				0.45	
Level 3 | CMBS | Scenario analysis | Price					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input | $ / shares					49
Level 3 | CMBS | Scenario analysis | Estimated recovery percentage					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.44	0.26	
Level 3 | Other ABS					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, at fair value	$ 34,598	$ 53,175			
Level 3 | Other ABS | Discounted cash flows | Minimum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input, term	1 year	1 year			
Level 3 | Other ABS | Discounted cash flows | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input, term	3 years	2 years			
Level 3 | Other ABS | Discounted cash flows | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation					

[Line Items]				
Financial instruments owned, measurement input, term	2 years	1 year		
Level 3 | Other ABS | Discounted cash flows | Discount rate/yield | Minimum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.07	0.06
Level 3 | Other ABS | Discounted cash flows | Discount rate/yield | Maximum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.12	0.12
Level 3 | Other ABS | Discounted cash flows | Discount rate/yield | Weighted Average				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.11	0.08
Level 3 | Other ABS | Discounted cash flows | Cumulative loss rate | Minimum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.07	0.12
Level 3 | Other ABS | Discounted cash flows | Cumulative loss rate | Maximum				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.31	0.30
Level 3 | Other ABS | Discounted cash flows | Cumulative loss rate | Weighted Average				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				
Financial instruments owned, measurement input			0.18	0.22
Level 3 | Other ABS | Market approach | Price				
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]				

Financial instruments owned, measurement input | $ / shares						100
Level 3 | Loans and other receivables						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Financial instruments owned, at fair value	$ 74,057	$ 46,078				
Level 3 | Loans and other receivables | Scenario analysis | Estimated recovery percentage | Minimum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Financial instruments owned, measurement input			0.01		0.13	
Level 3 | Loans and other receivables | Scenario analysis | Estimated recovery percentage | Maximum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Financial instruments owned, measurement input			1.17		1.17	
Level 3 | Loans and other receivables | Scenario analysis | Estimated recovery percentage | Weighted Average						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Financial instruments owned, measurement input			0.68		1.05	
Level 3 | Loans and other receivables | Market approach | Price | Minimum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Financial instruments owned, measurement input | $ / shares				41		50
Level 3 | Loans and other receivables | Market approach | Price | Maximum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Financial instruments owned, measurement input | $ / shares				100		100
Level 3 | Loans and other receivables | Market approach | Price | Weighted Average						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						

Financial instruments owned, measurement input | $ / shares				81		96
Level 3 | Derivatives						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Derivative assets	13,538	4,602				
Derivative liabilities		27,536				
Level 3 | Derivatives | Interest rate swaps | Market approach | Price						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Derivative liability, measurement input | $ / shares						20
Level 3 | Derivatives | Interest rate swaps | Market approach | Basis points upfront | Minimum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Derivative asset, measurement input			0			
Derivative liability, measurement input			0			
Level 3 | Derivatives | Interest rate swaps | Market approach | Basis points upfront | Maximum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Derivative asset, measurement input			7			
Derivative liability, measurement input			10			
Level 3 | Derivatives | Interest rate swaps | Market approach | Basis points upfront | Weighted Average						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Derivative asset, measurement input			3			
Derivative liability, measurement input			4			
Level 3 | Derivatives | Equity options | Option model/default rate | Default probability						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Derivative liability, measurement input					0	
Level 3 | Derivatives | Equity options | Volatility benchmarking | Volatility | Minimum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						

Derivative liability, measurement input			0.29	0.39	
Level 3 | Derivatives | Equity options | Volatility benchmarking | Volatility | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Derivative liability, measurement input			0.59	0.62	
Level 3 | Derivatives | Equity options | Volatility benchmarking | Volatility | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Derivative liability, measurement input			0.42	0.50	
Level 3 | Derivatives | Total return swaps | Market approach | Price					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Derivative asset, measurement input | $ / shares					97
Derivative liability, measurement input | $ / shares					97
Level 3 | Derivatives | Cross currency swaps | Market approach | Basis points upfront					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Derivative liability, measurement input			2		
Level 3 | Derivatives | Unfunded commitments | Market approach | Price					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Derivative liability, measurement input			90		
Level 3 | Investments at fair value					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, at fair value	106,386	113,831			
Level 3 | Private equity securities | Scenario analysis | Discount rate/yield					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.20	0.20	
Level 3 | Private equity securities | Scenario analysis | Revenue growth					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					

Financial instruments owned, measurement input		0	0
Level 3 | Private equity securities | Market approach | Price | Minimum			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Financial instruments owned, measurement input | $ / shares		8	3
Level 3 | Private equity securities | Market approach | Price | Maximum			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Financial instruments owned, measurement input | $ / shares		250	250
Level 3 | Private equity securities | Market approach | Price | Weighted Average			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Financial instruments owned, measurement input | $ / shares		125	108
Level 3 | Private equity securities | Market approach | Transaction level			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Financial instruments owned, measurement input | $ / shares			169
Level 3 | Securities purchased under agreements to resell			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Financial instruments owned, at fair value	$ 25,000		
Level 3 | Securities purchased under agreements to resell | Market approach			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Securities purchased under agreements to resell, measurement input, term	2 years		
Level 3 | Securities purchased under agreements to resell | Market approach | Spread to 6 month LIBOR			
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]			
Securities purchased under agreements to resell, measurement input | $ / shares		500	

Level 3 | Loans					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments sold, not yet purchased, at fair value	$ 16,630	6,376			
Level 3 | Loans | Scenario analysis | Estimated recovery percentage | Minimum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.01		
Level 3 | Loans | Scenario analysis | Estimated recovery percentage | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.75		
Level 3 | Loans | Scenario analysis | Estimated recovery percentage | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Financial instruments owned, measurement input			0.27		
Level 3 | Loans | Market approach | Price | Minimum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Debt instrument, measurement input | $ / shares				50	50
Level 3 | Loans | Market approach | Price | Maximum					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Debt instrument, measurement input | $ / shares				98	101
Level 3 | Loans | Market approach | Price | Weighted Average					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					
Debt instrument, measurement input | $ / shares				78	74
Level 3 | Long-term debt					
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]					

Financial instruments sold, not yet purchased, at fair value	$ 348,063	$ 200,745				
Level 3 | Long-term debt | Market approach | Price | Minimum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Long-term debt, measurement input			89	70	78	68
Level 3 | Long-term debt | Market approach | Price | Maximum						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Long-term debt, measurement input			102	103	94	110
Level 3 | Long-term debt | Market approach | Price | Weighted Average						
Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items]						
Long-term debt, measurement input			97	89	86	96

Derivative Financial Instruments - Unrealized and Realized Gains (Losses) on Derivative Contracts (Details) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Derivative Instruments, Gain (Loss) [Line Items]				
Gains (losses) recognized in interest expense on fair value hedge	$ (467)	$ 60	$ (2,445)	$ 1,692
Unrealized and realized gains (losses)	(84,563)	12,238	(297,298)	(166,921)
Interest rate contracts				
Derivative Instruments, Gain (Loss) [Line Items]				
Unrealized and realized gains (losses)	(89,864)	13,951	(193,715)	36,053
Foreign exchange contracts				
Derivative Instruments, Gain (Loss) [Line Items]				
Unrealized and realized gains (losses)	(3,022)	(4,421)	(1,604)	6,207
Equity contracts				
Derivative Instruments, Gain (Loss) [Line Items]				
Unrealized and realized gains (losses)	2,236	1,807	(118,354)	(215,232)
Commodity contracts				
Derivative Instruments, Gain (Loss) [Line Items]				
Unrealized and realized gains (losses)	3,400	281	4,775	3,025
Credit contracts				
Derivative Instruments, Gain (Loss) [Line Items]				
Unrealized and realized gains (losses)	2,687	620	11,600	3,026
Long-term debt				
Derivative Instruments, Gain (Loss) [Line Items]				
Gains (losses) recognized in interest expense on fair value hedge	(28,519)	1,221	(72,288)	24,055
Interest rate swaps				
Derivative Instruments, Gain (Loss) [Line Items]				
Gains (losses) recognized in interest expense on fair value hedge	$ 28,052	$ (1,161)	$ 69,843	$ (22,363)

CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED) - USD ($) $ in Thousands	3 Months Ended		9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018
Revenues:				
Revenue from contracts with customers	$ 586,876	$ 633,210	$ 1,636,618	$ 1,903,938
Principal transactions	148,873	143,308	632,002	498,583
Interest	383,596	305,347	1,163,022	870,490
Other	22,286	6,420	79,354	58,678
Total revenues	1,141,631	1,088,285	3,510,996	3,331,689
Interest expense	364,472	310,670	1,146,268	910,271
Net revenues	777,159	777,615	2,364,728	2,421,418
Non-interest expenses:				
Compensation and benefits	411,936	428,033	1,261,506	1,327,760
Non-compensation expenses:				
Floor brokerage and clearing fees	54,247	45,745	168,698	135,808
Technology and communications	86,649	76,877	247,464	222,335
Occupancy and equipment rental	29,300	25,559	87,587	75,143
Business development	36,526	39,733	103,430	124,233
Professional services	42,379	35,316	117,372	101,715
Underwriting costs	14,647	20,528	36,045	47,832
Other	18,400	18,723	41,828	54,888
Total non-compensation expenses	282,148	262,481	802,424	761,954
Total non-interest expenses	694,084	690,514	2,063,930	2,089,714
Earnings before income taxes	83,075	87,101	300,798	331,704
Income tax expense	18,250	26,923	79,789	234,337
Net earnings	64,825	60,178	221,009	97,367
Net earnings (loss) attributable to noncontrolling interests	(143)	(4)	140	(1)
Net earnings attributable to Jefferies Group LLC	64,968	60,182	220,869	97,368
Commissions and other fees				
Revenues:				
Revenue from contracts with customers	171,003	162,700	493,843	482,194
Investment banking				
Revenues:				
Revenue from contracts with customers	412,533	465,326	1,128,216	1,405,614
Asset management fees				
Revenues:				
Revenue from contracts with customers	$ 3,340	$ 5,184	$ 14,559	$ 16,130

Investments - Epic Gas (Details) - Epic Gas - USD ($) $ in Millions	3 Months Ended			9 Months Ended	
	Dec. 31, 2018	Mar. 31, 2018	Dec. 31, 2017	Aug. 31, 2019	Nov. 30, 2018
Schedule of Equity Method Investments [Line Items]					
Ownership percentage					21.10%
Proceeds from sale of Epic Gas				$ 24.6	
Gain on sale of Epic Gas				$ 2.8	
Investment in Epic Gas					$ 21.7
Net earnings (losses)	$ 0.9	$ (2.7)	$ (16.4)		

Revenues from Contracts with Customers - Additional Information (Details) - USD ($) $ in Millions	3 Months Ended		9 Months Ended		
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Nov. 30, 2018
Revenue from Contract with Customer [Abstract]					
Revenue related to performance obligations satisfied	$ 9.6	$ 4.4	$ 27.2	$ 18.3	
Revenue associated with distribution services, a portion of which related to prior periods	6.0	4.6	15.8	13.5	
Receivables related to revenue from contracts with customers	205.8		205.8		$ 199.0
Deferred revenue	8.5		8.5		10.6
Deferred revenue, revenue recognized	9.4	2.2	6.3	4.0	
Capitalized contract cost	4.4		4.4		$ 4.7
Expenses related to capitalized costs to fulfill a contract	$ 1.6	$ 1.5	$ 3.8	$ 1.5	

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) - USD ($) $ in Thousands	9 Months Ended	
	Aug. 31, 2019	Aug. 31, 2018
Cash flows from operating activities:		
Net earnings	$ 221,009	$ 97,367
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization	24,626	10,208
Income on loans to and investments in related parties	(71,615)	(30,687)
Distributions received on investments in related parties	126,504	2,330
Other adjustments	81,362	(96,359)
Net change in assets and liabilities:		
Securities deposited with clearing and depository organizations	(153)	64,890
Receivables:		
Brokers, dealers and clearing organizations	268,337	(27,967)
Customers	330,869	(388,076)
Fees, interest and other	(27,007)	64,563
Securities borrowed	(1,410,295)	309,722
Financial instruments owned	(102,577)	(1,115,411)
Securities purchased under agreements to resell	(1,772,192)	(53,020)
Other assets	(74,840)	117,440
Payables:		
Brokers, dealers and clearing organizations	(169,021)	(260,193)
Customers	422,840	523,611
Securities loaned	387,016	(275,629)
Financial instruments sold, not yet purchased	921,282	52,196
Securities sold under agreements to repurchase	(346,031)	1,250,575
Accrued expenses and other liabilities	(323,548)	(392,471)
Net cash used in operating activities	(1,513,434)	(146,911)
Cash flows from investing activities:		
Contributions to loans to and investments in related parties	(26,849)	(1,918,500)
Distributions from loans to and investments in related parties	24,629	1,873,000
Net payments on premises and equipment	(71,392)	(52,699)
Consolidation of asset management entity	0	130
Net cash used in investing activities	(73,612)	(98,069)
Cash flows from financing activities:		
Proceeds from short-term borrowings	1,418,000	616,283
Payments on short-term borrowings	(1,221,000)	(669,466)
Proceeds from issuance of long-term debt, net of issuance costs	908,332	1,321,714
Repayment of long-term debt	(756,614)	(1,025,563)
Distributions to Jefferies Financial Group Inc.	(208,647)	(218,593)
Net proceeds from other secured financings	939,953	282,714
Net change in bank overdrafts	(9,028)	2,369
Proceeds from contributions of noncontrolling interests	6,600	10
Payments on distributions to noncontrolling interests	(2,481)	0

Net cash provided by financing activities	1,075,115	309,468
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(18,243)	(16,084)
Net increase (decrease) in cash, cash equivalents and restricted cash	(530,174)	48,404
Cash, cash equivalents and restricted cash at beginning of period	5,819,027	5,642,776
Cash, cash equivalents and restricted cash at end of period	5,288,853	5,691,180
Cash paid during the period for		
Interest	1,205,380	1,001,307
Income taxes, net	$ 72,925	$ 152,600

Long-Term Debt - Summary of Long-Term Debt Carrying Values Including Unamortized Discounts and Premiums (Details) - USD ($)	3 Months Ended		9 Months Ended					
	Aug. 31, 2019	Aug. 31, 2018	Aug. 31, 2019	Aug. 31, 2018	Jul. 19, 2019	Nov. 30, 2018	May 16, 2018	Jan. 17, 2017
Debt Instrument [Line Items]								
Long-term debt	$ 6,767,163,000		$ 6,767,163,000			$ 6,546,283,000		
(Loss) gain associated with an interest rate swap based on its designation as a fair value hedge	(467,000)	$ 60,000	(2,445,000)	$ 1,692,000				
Long-term debt at fair value	1,014,509,000		1,014,509,000			686,170,000		
Structured notes								
Debt Instrument [Line Items]								
Debt principal amount	283,200,000		283,200,000					
Unsecured Debt								
Debt Instrument [Line Items]								
Long-term debt	$ 6,578,236,000		$ 6,578,236,000			6,362,744,000		
Unsecured Debt | 8.500% Senior Notes								
Debt Instrument [Line Items]								
Debt instrument interest rate	8.50%		8.50%					
Effective Interest Rate	0.00%		0.00%					
Long-term debt	$ 0		$ 0			699,659,000		
Unsecured Debt | 2.375% Euro Medium Term Notes								
Debt Instrument [Line Items]								
Debt instrument interest rate	2.375%		2.375%					
Effective Interest Rate	2.42%		2.42%					
Long-term debt	$ 548,566,000		$ 548,566,000			564,702,000		
Unsecured Debt | 6.875% Senior Notes								
Debt Instrument [Line Items]								
Debt instrument interest rate	6.875%		6.875%					
Effective Interest Rate	4.40%		4.40%					
Long-term debt	$ 779,078,000		$ 779,078,000			791,814,000		
Unsecured Debt | 2.250% Euro Medium Term Notes								
Debt Instrument [Line Items]								
Debt instrument interest rate	2.25%		2.25%					
Effective Interest Rate	4.08%		4.08%					
Long-term debt	$ 4,171,000		$ 4,171,000			4,243,000		
Unsecured Debt | 5.125% Senior Notes								
Debt Instrument [Line Items]								
Debt instrument interest rate	5.125%		5.125%					
Effective Interest Rate	4.55%		4.55%					
Long-term debt	$ 610,762,000		$ 610,762,000			612,928,000		
Unsecured Debt | 1.000% Euro Medium Term Notes								
Debt Instrument [Line Items]								
Debt instrument interest rate	1.00%		1.00%		1.00%			
Effective Interest Rate	1.00%		1.00%					
Long-term debt	$ 546,855,000		$ 546,855,000			0		
Debt principal amount					$ 553,600,000			
Unsecured Debt | 4.850% Senior Notes								

Debt Instrument [Line Items]					
Debt instrument interest rate	4.85%	4.85%			
Effective Interest Rate	4.93%	4.93%			
Long-term debt	$ 782,156,000	$ 782,156,000		709,484,000	
Debt principal amount					$ 750,000,000.0
Unsecured Debt | 6.450% Senior Debentures					
Debt Instrument [Line Items]					
Debt instrument interest rate	6.45%	6.45%			
Effective Interest Rate	5.46%	5.46%			
Long-term debt	$ 371,998,000	$ 371,998,000		373,669,000	
Unsecured Debt | 4.150% Senior Notes					
Debt Instrument [Line Items]					
Debt instrument interest rate	4.15%	4.15%			
Effective Interest Rate	4.26%	4.26%			
Long-term debt	$ 988,440,000	$ 988,440,000		987,788,000	
Debt principal amount	1,000,000,000.0		1,000,000,000.0		
Unsecured Debt | 6.250% Senior Debentures					
Debt Instrument [Line Items]					
Debt instrument interest rate	6.25%	6.25%			
Effective Interest Rate	6.03%	6.03%			
Long-term debt	$ 511,363,000	$ 511,363,000		511,662,000	
Unsecured Debt | 6.500% Senior Notes					
Debt Instrument [Line Items]					
Debt instrument interest rate	6.50%	6.50%			
Effective Interest Rate	6.09%	6.09%			
Long-term debt	$ 420,338,000	$ 420,338,000		420,625,000	
Unsecured Debt | Structured notes					
Debt Instrument [Line Items]					
Long-term debt	1,014,509,000	1,014,509,000		686,170,000	
Debt principal amount	$ 162,600,000		162,600,000		
Secured Debt | Revolving Credit Facility					
Debt Instrument [Line Items]					
Long-term debt	188,927,000	188,927,000		183,539,000	
Debt principal amount					$ 190,000,000.0
Interest rate swaps | Unsecured Debt | 4.850% Senior Notes					
Debt Instrument [Line Items]					
(Loss) gain associated with an interest rate swap based on its designation as a fair value hedge		(72,300,000)	$ 24,100,000		
Level 2 and Level 3					
Debt Instrument [Line Items]					
Long-term debt at fair value	$ 7,046,600,000	$ 7,046,600,000		$ 6,423,600,000	

Investments - Berkadia - Narrative (Details) - Berkadia Commercial Mortgage, LLC - USD ($) $ in Millions	3 Months Ended	9 Months Ended		
	Aug. 31, 2019	Aug. 31, 2019	Nov. 30, 2018	Oct. 01, 2018
Schedule of Equity Method Investments [Line Items]				
Ownership percentage				50.00%
Percentage of profits received from joint venture				45.00%
Purchase commitment amount	$ 464.4	$ 464.4	$ 723.8	
Distribution received from equity method investment	$ 29.6	$ 47.7		

Segment Reporting (Tables)

9 Months Ended Aug. 31, 2019

Segment Reporting [Abstract]

Net Revenues, Expenses and Total Assets by Segment

Our net revenues, non-interest expenses and earnings (loss) before income taxes by reportable business segment are summarized below (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Capital Markets:				
Net revenues	$ 757.4	$ 767.0	$ 2,274.9	$ 2,389.0
Non-interest expenses	671.2	678.6	1,991.0	2,048.8
Earnings before income taxes	$ 86.2	$ 88.4	$ 283.9	$ 340.2
Asset Management:				
Net revenues	$ 19.8	$ 10.6	$ 89.8	$ 32.4
Non-interest expenses	22.9	11.9	72.9	40.9
Earnings (loss) before income taxes	$ (3.1)	$ (1.3)	$ 16.9	$ (8.5)
Total:				
Net revenues	$ 777.2	$ 777.6	$ 2,364.7	$ 2,421.4
Non-interest expenses	694.1	690.5	2,063.9	2,089.7
Earnings before income taxes	$ 83.1	$ 87.1	$ 300.8	$ 331.7

The following table summarizes our total assets by reportable business segment (in millions):

	August 31, 2019	November 30, 2018
Capital Markets	$ 39,945.6	$ 38,700.7
Asset Management	3,148.0	2,468.1
Total assets	$ 43,093.6	$ 41,168.8

Net Revenues by Geographic Region

Net revenues by geographic region were as follows (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Americas (1)	$ 613.4	$ 639.7	$ 1,871.3	$ 2,042.4
Europe (2)	136.9	115.9	413.6	313.4
Asia	26.9	22.0	79.8	65.6
Net revenues	$ 777.2	$ 777.6	$ 2,364.7	$ 2,421.4

(1) Substantially all relates to U.S. results.

(2) Substantially all relates to U.K. results.

Compensation Plans (Tables)

9 Months Ended
Aug. 31, 2019

Compensation Related Costs [Abstract]

Schedule of Components of Compensation Cost

The components of total compensation cost associated with certain of our compensation plans are as follows (in millions):

	Three Months Ended August 31,		Nine Months Ended August 31,	
	2019	2018	2019	2018
Components of compensation cost:				
Restricted cash awards	$ 72.3	$ 60.0	$ 205.1	$ 183.6
Restricted stock and RSUs (1)	6.6	7.1	19.6	21.1
Profit sharing plan	1.2	1.1	6.4	5.6
Total compensation cost	$ 80.1	$ 68.2	$ 231.1	$ 210.3

(1)
Total compensation cost associated with restricted stock and restricted stock units ("RSUs") includes the amortization of sign-on, retention and senior executive awards, less forfeitures and clawbacks.

Schedule of Remaining Unamortized Amounts Related to Certain Compensation Plans

Remaining unamortized amounts related to certain compensation plans at August 31, 2019 are as follows (dollars in millions):

	Remaining Unamortized Amounts	Weighted Average Vesting Period (in Years)
Non-vested share-based awards	$ 53.7	3
Restricted cash awards	498.1	3
Total	$ 551.8	

Fair Value Disclosures - Investments Measured at Fair Value Based on Net Asset Value Per Share (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Fair Value	$ 573,457	$ 322,909
Unfunded Commitments	19,154	20,996
Equity Long/Short Hedge Funds		
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Fair Value	292,205	15,338
Unfunded Commitments	$ 0	$ 0
Percentage of investment at fair value, redemption restriction	94.00%	0.00%
Investments redemption restriction period	36 months	
Equity Funds		
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Fair Value	$ 33,891	$ 40,070
Unfunded Commitments	$ 19,154	20,996
Expected period for the liquidation of the underlying assets, minimum	1 year	
Expected period for the liquidation of the underlying assets, maximum	9 years	
Commodity Funds		
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Fair Value	$ 15,212	10,129
Unfunded Commitments	$ 0	$ 0
Notice period redemption of investment prior written notice period	60 days	60 days
Multi-asset Funds		
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Fair Value	$ 231,991	$ 256,972
Unfunded Commitments	$ 0	$ 0
Percentage of redeemable investments	4.00%	15.00%
Notice period redemption of investment prior written notice period	30 days	30 days
Other Funds		
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Fair Value	$ 158	$ 400
Unfunded Commitments	$ 0	$ 0
60 days prior written notice | Equity Long/Short Hedge Funds		
Fair Value, Investments, Entities that Calculate Net Asset Value Per Share [Line Items]		
Percentage of redeemable investments	6.00%	97.00%
Notice period redemption of investment prior written notice period	60 days	

Collateralized Transactions - Summary of Repurchase Agreements and Securities Borrowing and Lending Arrangements (Details) - USD ($) $ in Thousands	Aug. 31, 2019	Nov. 30, 2018
Securities borrowing arrangements		
Gross Amounts	$ 7,895,149	$ 6,538,212
Netting in Consolidated Statement of Financial Condition	0	0
Net Amounts in Consolidated Statement of Financial Condition	7,895,149	6,538,212
Additional Amounts Available for Setoff	(707,436)	(468,778)
Available Collateral	(1,653,688)	(1,193,986)
Net Amount	5,534,025	4,875,448
Reverse repurchase agreements		
Gross Amounts	17,586,096	11,336,175
Netting in Consolidated Statement of Financial Condition	(13,086,101)	(8,550,417)
Net Amounts in Consolidated Statement of Financial Condition	4,499,995	2,785,758
Additional Amounts Available for Setoff	(454,507)	(609,225)
Available Collateral	(3,817,544)	(2,126,730)
Net Amount	227,944	49,803
Securities lending arrangements		
Gross Amounts	2,182,865	1,838,688
Netting in Consolidated Statement of Financial Condition	0	0
Net Amounts in Consolidated Statement of Financial Condition	2,182,865	1,838,688
Additional Amounts Available for Setoff	(707,436)	(468,778)
Available Collateral	(1,452,911)	(1,343,704)
Net Amount	22,518	26,206
Repurchase agreements		
Gross Amounts	21,323,082	17,193,486
Netting in Consolidated Statement of Financial Condition	(13,086,101)	(8,550,417)
Net Amounts in Consolidated Statement of Financial Condition	8,236,981	8,643,069
Additional Amounts Available for Setoff	(454,507)	(609,225)
Available Collateral	(6,269,894)	(7,070,967)
Net Amount	1,512,580	962,877
Securities borrowing arrangements	5,473,000	4,825,700
Securities borrowing arrangements, collateral	5,322,700	4,711,700
Securities borrowing arrangements, repurchase agreements	382,900	931,700
Securities borrowing arrangements, repurchase agreements, pledged securities collateral	$ 392,400	$ 963,600

Net Capital Requirements (Details) - Jefferies LLC $ in Thousands	Aug. 31, 2019 USD ($)
Net Capital Requirements [Line Items]	
Net Capital	$ 1,474,186
Excess Net Capital	$ 1,356,458

Related Party Transactions - Officers, Directors and Employees (Details) - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Related Party Transaction [Line Items]		
Loans outstanding to certain employees	$ 34.9	$ 39.3
Director | Affiliated Entity		
Related Party Transaction [Line Items]		
Investment in related party	$ 3.6	$ 4.6

Variable Interest Entities - Variable Interests in Non-Consolidated Variable Interest Entities (Details) - Nonconsolidated VIEs - USD ($) $ in Millions	Aug. 31, 2019	Nov. 30, 2018
Variable Interest Entity [Line Items]		
Carrying Amount, Assets	$ 1,076.9	$ 634.7
Carrying Amount, Liabilities	0.9	0.0
Maximum Exposure to Loss	1,926.5	1,528.0
VIE Assets	17,544.6	10,028.4
CLOs		
Variable Interest Entity [Line Items]		
Carrying Amount, Assets	124.0	42.1
Carrying Amount, Liabilities	0.9	0.0
Maximum Exposure to Loss	801.5	568.3
VIE Assets	7,889.6	3,088.9
Consumer loan and other asset-backed vehicles		
Variable Interest Entity [Line Items]		
Carrying Amount, Assets	525.1	462.1
Carrying Amount, Liabilities	0.0	0.0
Maximum Exposure to Loss	668.8	807.1
VIE Assets	3,020.6	3,273.1
Related party private equity vehicles		
Variable Interest Entity [Line Items]		
Carrying Amount, Assets	28.7	35.5
Carrying Amount, Liabilities	0.0	0.0
Maximum Exposure to Loss	46.2	53.5
VIE Assets	83.7	108.3
Other investment vehicles		
Variable Interest Entity [Line Items]		
Carrying Amount, Assets	399.1	95.0
Carrying Amount, Liabilities	0.0	0.0
Maximum Exposure to Loss	410.0	99.1
VIE Assets	$ 6,550.7	$ 3,558.1

Summary of Significant Accounting Policies (Policies)	9 Months Ended Aug. 31, 2019
Accounting Policies [Abstract]	
Basis of Presentation	***Basis of Presentation***

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and should be read in conjunction with our consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended November 30, 2018. Certain footnote disclosures included in our Annual Report on Form 10-K for the year ended November 30, 2018 have been condensed or omitted from the consolidated financial statements as they are not required for interim reporting under U.S. GAAP. The Consolidated Financial Statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for the fair presentation of the results for the interim period. The results presented in the Consolidated Financial Statements for interim periods are not necessarily indicative of the results for the entire year.

We have made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period to prepare these consolidated financial statements in conformity with U.S. GAAP. The most important of these estimates and assumptions relate to fair value measurements, compensation and benefits, goodwill and intangible assets, the ability to realize certain deferred tax assets and the recognition and measurement of uncertain tax positions. Although these and other estimates and assumptions are based on the best available information, actual results could be materially different from these estimates.

Consolidation

Consolidation

Our policy is to consolidate all entities that we control by ownership of a majority of the outstanding voting stock. In addition, we consolidate entities that meet the definition of a variable interest entity ("VIE") for which we are the primary beneficiary. The primary beneficiary is the party who has the power to direct the activities of a VIE that most significantly impact the entity's economic performance and who has an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity. For consolidated entities that are less than wholly owned, the third party's holding of equity interest is presented as Noncontrolling interests in our Consolidated Statements of Financial Condition and Consolidated Statements of Changes in Equity. The portion of net earnings attributable to the noncontrolling interests is presented as Net earnings (loss) attributable to noncontrolling interests in our Consolidated Statements of Earnings.

In situations in which we have significant influence, but not control, of an entity that does not qualify as a VIE, we apply either the equity method of accounting or fair value accounting pursuant to the fair value option election under U.S. GAAP, with our portion of net earnings or gains and losses recorded in Other revenues or Principal transactions revenues, respectively. We also have formed nonconsolidated investment vehicles with third-party investors that are typically organized as partnerships or limited liability companies and are carried at fair value. We act as general partner or managing member for these investment vehicles and have generally provided the third-party investors with termination or "kick-out" rights.

Intercompany accounts and transactions are eliminated in consolidation.

Accounting Standards to be Adopted in Future Periods

Accounting Standards to be Adopted in Future Periods

Consolidation. In October 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-17, Consolidation: Targeted Improvements to Related Party Guidance for Variable Interest Entities. The guidance requires indirect interests held through related parties under common control arrangements be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Internal-Use Software. In August 2018, the FASB issued ASU No. 2018-15, Intangibles—Goodwill and Other—Internal-Use Software: Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract. The guidance amends the definition of a hosting arrangement and requires that the customer in a hosting arrangement that is a service contract capitalize

certain implementation costs as if the arrangement was an internal-use software project. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Defined Benefit Plans. In August 2018, the FASB issued ASU No. 2018-14, Compensation—Retirement Benefits—Defined Benefit Plans—General: Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans. The objective of the guidance is to improve the effectiveness of disclosure requirements on defined benefit pension plans and other postretirement plans. The guidance is effective in the first quarter of fiscal 2021. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Derivatives and Hedging. In August 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities. The objective of the guidance is to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements. The guidance is effective in the first quarter of fiscal 2020. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Goodwill. In January 2017, the FASB issued ASU No. 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies goodwill impairment testing. The guidance is effective in the first quarter of fiscal 2021. We do not believe the new guidance will have a material impact on our consolidated financial statements.

Financial Instruments—Credit Losses. In June 2016, the FASB issued ASU No. 2016-13, Measurement of Credit Losses on Financial Instruments. The guidance provides for estimating credit losses on certain types of financial instruments by introducing an approach based on expected losses. The guidance is effective in the first quarter of fiscal 2021. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Leases. In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). The guidance affects the accounting for leases and provides for a lessee model that brings substantially all leases that are longer than one year onto the balance sheet, which will result in the recognition of a right of use asset and a corresponding lease liability. The right of use asset and lease liability will be measured initially using the present value of the remaining rental payments. The population of contracts that will be subject to recognition on our Consolidated Statements of Financial Condition has been identified; however, the initial measurement of the contracts still remains under evaluation. We are currently modifying our lease accounting systems to enable us to comply with the accounting requirements of this guidance. In July 2018, the FASB issued ASU No. 2018-11, Leases: Targeted Improvements. The guidance allows an entity to recognize a cumulative-effect adjustment to the opening balance of retained earnings upon adoption of ASU 2016-02. We plan on adopting both lease ASUs in the first quarter of fiscal 2020 with a cumulative-effect adjustment to opening member's equity in the period of adoption. We are currently evaluating the impact of the new guidance on our consolidated financial statements.

Revenues from Contracts with Customers

Revenue from contracts with customers is recognized when, or as, we satisfy our performance obligations by transferring the promised goods or services to the customers. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognized by measuring our progress in satisfying the performance obligation in a manner that depicts the transfer of the goods or services to the customer. Revenue from a performance obligation satisfied at a point in time is recognized at the point in time that we determine the customer obtains control over the promised good or service. The amount of revenue recognized reflects the consideration we expect to be entitled to in exchange for those promised goods or services (*i.e.*, the "transaction price"). In determining the transaction price, we consider multiple factors, including the effects of variable consideration. Variable consideration is included in the transaction price only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainties with respect to the amount are resolved. In determining when to include variable consideration in the transaction price, we consider the range of possible outcomes, the predictive value of our past experiences, the time period of when uncertainties expect to be resolved and the amount of consideration that is susceptible to factors outside of our influence, such as market volatility or the judgment and actions of third parties.

The following provides detailed information on the recognition of our revenues from contracts with customers:

Commissions and Other Fees. We earn commission and other fee revenue by executing, settling and clearing transactions for clients primarily in equity, equity-related and futures products. Trade execution

and clearing services, when provided together, represent a single performance obligation as the services are not separately identifiable in the context of the contract. Commission revenues associated with combined trade execution and clearing services, as well as trade execution services on a standalone basis, are recognized at a point in time on trade-date. Commissions revenues are generally paid on settlement date and we record a receivable between trade-date and payment on settlement date. We permit institutional customers to allocate a portion of their gross commissions to pay for research products and other services provided by third parties. The amounts allocated for those purposes are commonly referred to as soft dollar arrangements. We act as an agent in the soft dollar arrangements as the customer controls the use of the soft dollars and directs our payments to third-party service providers on its behalf. Accordingly, amounts allocated to soft dollar arrangements are netted against commission revenues in our Consolidated Statements of Earnings.

We earn account advisory and distribution fees in connection with wealth management services. Account advisory fees are recognized over time using the time-elapsed method as we determined that the customer simultaneously receives and consumes the benefits of investment advisory services as they are provided. Account advisory fees may be paid in advance of a specified service period or in arrears at the end of the specified service period (*e.g.*, quarterly). Account advisory fees paid in advance are initially deferred within Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. Distribution fees are variable and recognized when the uncertainties with respect to the amounts are resolved.

Investment Banking. We provide our clients with a full range of capital markets and financial advisory services. Capital markets services include underwriting and placement agent services in both the equity and debt capital markets, including private equity placements, initial public offerings, follow-on offerings and equity-linked convertible securities transactions and structuring, underwriting and distributing public and private debt, including investment grade debt, high yield bonds, leveraged loans, municipal bonds and mortgage- and asset-backed securities. Underwriting and placement agent revenues are recognized at a point in time on trade-date, as the client obtains the control and benefit of the capital markets offering at that point. Costs associated with capital markets transactions are deferred until the related revenue is recognized or the engagement is otherwise concluded, and are recorded on a gross basis within Underwriting costs in the Consolidated Statements of Earnings as we are acting as a principal in the arrangement. Any expenses reimbursed by our clients are recognized as Investment banking revenues.

Revenues from financial advisory services primarily consist of fees generated in connection with merger, acquisition and restructuring transactions. Advisory fees from mergers and acquisitions engagements are recognized at a point in time when the related transaction is completed, as the performance obligation is to successfully broker a specific transaction. Fees received prior to the completion of the transaction are deferred within Accrued expenses and other liabilities in the Consolidated Statements of Financial Condition. Advisory fees from restructuring engagements are recognized over time using a time elapsed measure of progress as our clients simultaneously receive and consume the benefits of those services as they are provided. A significant portion of the fees we receive for our advisory services are considered variable as they are contingent upon a future event (*e.g.*, completion of a transaction or third-party emergence from bankruptcy) and are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved, which is expected to occur upon achievement of the specified milestone. Payment for advisory services are generally due promptly upon completion of a specified milestone or, for retainer fees, periodically over the course of the engagement. We recognize a receivable between the date of completion of the milestone and payment by the customer. Expenses associated with investment banking advisory engagements are deferred only to the extent they are explicitly reimbursable by the client and the related revenue is recognized at a point in time. All other investment banking advisory related expenses, including expenses incurred related to restructuring assignments, are expensed as incurred. All investment banking advisory expenses are recognized within their respective expense category in the Consolidated Statements of Earnings and any expenses reimbursed by our clients are recognized as Investment banking revenues.

Asset Management Fees. We earn management and performance fees in connection with investment advisory services provided to various funds and accounts, which are satisfied over time and measured using a time elapsed measure of progress as the customer receives the benefits of the services evenly throughout the term of the contract. Management and performance fees are considered variable as they are subject to fluctuation (*e.g.*, changes in assets under management, market performance) and/ or are contingent on a future event during the measurement period (*e.g.*, meeting a specified benchmark) and are recognized only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. Management fees are generally based on month-end assets under management or an agreed upon notional amount and are included in the transaction price at the end of each month when the assets under management or notional amount is known. Performance fees are received when the return on assets under management for a specified performance period exceed certain benchmark returns, “high-water marks” or other performance targets.

The performance period related to our performance fees is annual or semi-annual. Accordingly, performance fee revenue will generally be recognized only at the end of the performance period to the extent that the benchmark return has been met.

Long-Term Debt

9 Months Ended Aug. 31, 2019

Debt Disclosure [Abstract]

Long-Term Debt

Long-Term Debt

The following summarizes our long-term debt carrying values (including unamortized discounts and premiums, valuation adjustments and debt issuance costs, where applicable) (in thousands):

	Maturity	Effective Interest Rate	August 31, 2019	November 30, 2018
Unsecured long-term debt:				
8.500% Senior Notes	July 15, 2019	—%	$ —	$ 699,659
2.375% Euro Medium Term Notes	May 20, 2020	2.42%	548,566	564,702
6.875% Senior Notes	April 15, 2021	4.40%	779,078	791,814
2.250% Euro Medium Term Notes	July 13, 2022	4.08%	4,171	4,243
5.125% Senior Notes	January 20, 2023	4.55%	610,762	612,928
1.000% Euro Medium Term Notes	July 19, 2024	1.00%	546,855	—
4.850% Senior Notes (1)	January 15, 2027	4.93%	782,156	709,484
6.450% Senior Debentures	June 8, 2027	5.46%	371,998	373,669
4.150% Senior Notes	January 23, 2030	4.26%	988,440	987,788
6.250% Senior Debentures	January 15, 2036	6.03%	511,363	511,662
6.500% Senior Notes	January 20, 2043	6.09%	420,338	420,625
Structured notes (2)	Various	Various	1,014,509	686,170
Total unsecured long-term debt			6,578,236	6,362,744
Secured long-term debt:				
Revolving Credit Facility			188,927	183,539
Total long-term debt (3)			$ 6,767,163	$ 6,546,283

(1) These senior notes with a principal amount of $750.0 million were issued on January 17, 2017. The carrying value includes a loss of $72.3 million and a gain of $24.1 million in the nine months ended August 31, 2019 and 2018, respectively, associated with an interest rate swap based on its designation as a fair value hedge. See Note 5, Derivative Financial Instruments, for further information.

(2) These structured notes contain various interest rate payment terms and are accounted for at fair value, with changes in fair value resulting from a change in the instrument-specific credit risk presented in other comprehensive income and changes in fair value resulting from non-credit components recognized in Principal transactions revenues. A weighted average coupon rate is not meaningful, as all of the structured notes are carried at fair value.

(3) The total Long-term debt has a fair value of $7,046.6 million and $6,423.6 million at August 31, 2019 and November 30, 2018, respectively, which would be classified as Level 2 and Level 3 in the fair value hierarchy.

During the nine months ended August 31, 2019, long-term debt increased $220.9 million. This increase is primarily due to structured notes issuances with a total principal amount of approximately $283.2 million, net of retirements. In addition, on July 19, 2019, under our $2.5 billion Euro Medium Term Note Program, we issued 1.000% senior unsecured notes with a principal amount of $553.6 million, due 2024. Proceeds amounted to $551.4 million. The increase in long-term debt was partially offset by repayments of $680.8 million of our 8.500% senior notes. During the nine months ended August 31, 2018, we issued 4.150% senior notes with a total principal amount of $1.0 billion, due 2030, and structured notes with a total principal amount of approximately $162.6 million, net of retirements.

In addition, on January 5, 2018, our remaining convertible debentures ($324.8 million at November 30, 2017) were redeemed at a redemption price equal to 100% of the principal amount of the convertible debentures redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. In addition, in April 2018, our remaining 5.125% senior notes with a principal amount of $668.3 million were redeemed.

We have a senior secured revolving credit facility ("Revolving Credit Facility") with a group of commercial banks for an aggregate principal amount of $190.0 million. The Revolving Credit Facility contains certain covenants that, among other things, requires Jefferies Group LLC to maintain specified level of tangible net

worth and liquidity amounts, and imposes certain restrictions on future indebtedness of and requires specified levels of regulated capital for certain of our subsidiaries. Interest is based on an annual alternative base rate or an adjusted LIBOR, as defined in the Revolving Credit Facility agreement. The obligations of certain of our subsidiaries under the Revolving Credit Facility are secured by substantially all its assets. At August 31, 2019, we were in compliance with the debt covenants under the Revolving Credit Facility.

Commitments, Contingencies and Guarantees	9 Months Ended Aug. 31, 2019
Commitments and Contingencies Disclosure [Abstract]	
Commitments, Contingencies and Guarantees	Commitments, Contingencies and Guarantees

Commitments

The following table summarizes our commitments at August 31, 2019 (in millions):

	Expected Maturity Date (fiscal years)					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Maximum Payout
Equity commitments (1)	$ —	$ 123.5	$ —	$ —	$ 11.5	$ 135.0
Loan commitments (1)	—	250.0	54.1	12.0	—	316.1
Underwriting commitments	31.5	—	—	—	—	31.5
Forward starting reverse repos (2)	2,994.6	—	—	—	—	2,994.6
Forward starting repos (2)	4,082.9	—	—	—	—	4,082.9
Other unfunded commitments (1)	80.0	—	143.7	—	4.9	228.6
Total commitments	$ 7,189.0	$ 373.5	$ 197.8	$ 12.0	$ 16.4	$ 7,788.7

(1) Equity, loan and other unfunded commitments are presented by contractual maturity date. The amounts, however, are available on demand.

(2) $2,991.6 million within forward starting securities purchased under agreements to resell and all of the securities sold under agreements to repurchase at August 31, 2019 settled within three business days.

Equity Commitments. Includes a commitment to invest in our joint venture, Jefferies Finance, and commitments to invest in private equity funds and in Jefferies Capital Partners, LLC, the manager of the private equity funds, which consists of a team led by one of our directors and Chairman of the Executive Committee. At August 31, 2019, our outstanding commitments relating to Jefferies Capital Partners, LLC and its private equity funds were $17.7 million.

See Note 9, Investments, for additional information regarding our investments in Jefferies Finance.

Additionally, at August 31, 2019, we had other outstanding equity commitments to invest up to $11.0 million in various other investments.

Loan Commitments. From time to time we make commitments to extend credit to investment banking and other clients in loan syndication, acquisition finance and securities transactions and to SPE sponsors in connection with the funding of CLO and other asset-backed transactions. These commitments and any related drawdowns of these facilities typically have fixed maturity dates and are contingent on certain representations, warranties and contractual conditions applicable to the borrower. At August 31, 2019, we had $66.1 million of outstanding loan commitments to clients.

Loan commitments outstanding at August 31, 2019 also include our portion of the outstanding secured revolving credit facility provided to Jefferies Finance to support loan underwritings by Jefferies Finance. See Note 9, Investments, for additional information.

Underwriting Commitments. In connection with investment banking activities, we may from time to time provide underwriting commitments to our clients in connection with capital raising transactions.

Forward Starting Reverse Repos and Repos. We enter into commitments to take possession of securities with agreements to resell on a forward starting basis and to sell securities with agreements to repurchase on a forward starting basis that are primarily secured by U.S. government and agency securities.

Other Unfunded Commitments. Other unfunded commitments include obligations in the form of revolving notes, warehouse financings and debt securities to provide financing to asset-backed and CLO vehicles. Upon advancing funds, drawn amounts are collateralized by the assets of an entity.

Guarantees

Derivative Contracts. As a dealer, we make markets and trade in a variety of derivative instruments. Certain derivative contracts that we have entered into meet the accounting definition of a guarantee under U.S. GAAP, including credit default swaps, written foreign currency options and written equity put options. On certain of these contracts, such as written interest rate caps and foreign currency options, the maximum payout cannot be quantified since the increase in interest or foreign exchange rates are not contractually limited by the terms of the contract. As such, we have disclosed notional values as a measure of our maximum potential payout under these contracts.

The following table summarizes the notional amounts associated with our derivative contracts meeting the definition of a guarantee under U.S. GAAP at August 31, 2019 (in millions):

	Expected Maturity Date (Fiscal Years)					
	2019	2020	2021 and 2022	2023 and 2024	2025 and Later	Notional/ Maximum Payout
Guarantee Type:						
Derivative contracts—non-credit related	$7,075.0	$4,115.5	$4,627.6	$3,612.0	$ 320.6	$ 19,750.7
Written derivative contracts—credit related	—	32.9	—	39.2	—	72.1
Total derivative contracts	$7,075.0	$4,148.4	$4,627.6	$3,651.2	$ 320.6	$ 19,822.8

The derivative contracts deemed to meet the definition of a guarantee under U.S. GAAP are before consideration of hedging transactions and only reflect a partial or “one-sided” component of any risk exposure. Written equity options and written credit default swaps are often executed in a strategy that is in tandem with long cash instruments (*e.g.*, equity and debt securities). We substantially mitigate our exposure to market risk on these contracts through hedges, such as other derivative contracts and/or cash instruments, and we manage the risk associated with these contracts in the context of our overall risk management framework. We believe notional amounts overstate our expected payout and that fair value of these contracts is a more relevant measure of our obligations. At August 31, 2019, the fair value of derivative contracts meeting the definition of a guarantee is approximately $239.0 million.

Standby Letters of Credit. At August 31, 2019, we provided guarantees to certain counterparties in the form of standby letters of credit totaling $36.9 million, all of which expire within one year. Standby letters of credit commit us to make payment to the beneficiary if the guaranteed party fails to fulfill its obligation under a contractual arrangement with that beneficiary. Since commitments associated with these collateral instruments may expire unused, the amount shown does not necessarily reflect the actual future cash funding requirement.

Other Guarantees. We are members of various exchanges and clearing houses. In the normal course of business, we provide guarantees to securities clearing houses and exchanges. These guarantees generally are required under the standard membership agreements, such that members are required to guarantee the performance of other members. Additionally, if a member becomes unable to satisfy its obligations to the clearing house, other members would be required to meet these shortfalls. To mitigate these performance risks, the exchanges and clearing houses often require members to post collateral. Our obligations under such guarantees could exceed the collateral amounts posted. Our maximum potential liability under these arrangements cannot be quantified; however, the potential for us to be required to make payments under such guarantees is deemed remote. Accordingly, no liability has been recognized for these arrangements.