



DIVISION OF  
CORPORATION FINANCE

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

September 28, 2010

Laurence Penn, Chief Executive Officer  
Ellington Financial LLC  
53 Forest Avenue  
Old Greenwich, CT 06870

**Re: Ellington Financial LLC  
Amendment No. 9 to Registration Statement on  
Form S-11  
Filed August 23, 2010  
File No. 333-160562**

Dear Mr. Penn:

We have reviewed your amended registration statement and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter by amending your registration statement and providing the requested information. If you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing any amendment to your registration statement and the information you provide in response to these comments, we may have additional comments.

Liquidity Management, page 97

Our Financing Strategies and Use of Leverage, page 97

1. We have read your response to comment three in our letter dated June 10, 2010. Please walk us through an example of when you engage in a TBA roll transaction with the same counterparty, a TBA roll transaction with different counterparties, as well as a TBA non-roll purchase and sale transaction. For each example, please include journal entries and the timing when such entries are recorded. Your examples should also discuss how these transactions are being presented on the balance sheet.
2. Please also tell us the companies reporting under the investment company accounting standards where you have examined their accounting practices in accounting for TBAs and TBA rolls, as referenced in your response dated August 23, 2010.

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We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes the information the Securities Act of 1933 and all applicable Securities Act rules require. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

Please refer to Rules 460 and 461 regarding requests for acceleration. We will consider a written request for acceleration of the effective date of the registration statement as confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. Please allow adequate time for us to review any amendment prior to the requested effective date of the registration statement.

Any questions regarding the accounting comments may be directed to Yolanda Crittendon (202) 551-3472 or Jessica Barberich, Assistant Chief Accountant, at (202) 551-3782. Questions on other disclosure issues may be directed to Duc Dang at (202) 551-3386 or the undersigned at (202) 551-3233.

Sincerely,

Thomas Kluck  
Branch Chief

cc: Via Facsimile  
Daniel M. LeBey, Esq.  
Christopher C. Green, Esq.  
(804) 788-8218