

FIA PTG

PRINCIPAL TRADERS GROUP

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June 24, 2022

Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Notice of Filing of a Proposed Rule Change To Amend FINRA Rule 6730 To Enhance TRACE Reporting Obligations for U.S. Treasury Securities
Release No. 34-95003; **File No. SR-FINRA-2022-013**

Dear Ms. Countryman:

Further to our previous comment letter,¹ the FIA Principal Traders Group (“FIA PTG”)² is supportive of FINRA’s efforts to enhance TRACE reporting obligations for U.S. Treasury Securities (“Treasuries”). FIA PTG has a longstanding history of support for increased transparency in Treasuries including closing all regulatory trade reporting gaps as well as real-time public reporting. FIA PTG appreciates FINRA making this a priority and we urge the U.S. Securities and Exchange Commission to approve the proposed amendment³ without delay.

FIA PTG continues to support efforts to provide more timely data to FINRA and the official sector. As we stated in our Previous Letter, FIA PTG believes that the current transaction reporting timeframe requirements for Treasuries should be significantly reduced. We support the proposal to “generally require reporting to TRACE as soon as practicable but no later than 60 minutes.” However, we view this as an incremental step, and urge FINRA to continue monitoring and

¹ See letter from Joanna Mallers, Secretary, FIA PTG, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated February 22, 2021 (“[Previous Letter](#)”).

² FIA PTG is an association of firms, many of whom are broker-dealers, who trade their own capital on exchanges in futures, options and equities markets worldwide. FIA PTG members engage in manual, automated and hybrid methods of trading, and they are active in a wide variety of asset classes, including equities, fixed income, foreign exchange and commodities. FIA PTG member firms serve as a critical source of liquidity, allowing those who use the markets, including individual investors, to manage their risks and invest effectively. The presence of competitive professional traders contributing to price discovery and the provision of liquidity is a hallmark of well-functioning markets. FIA PTG advocates for open access to markets, transparency and data-driven policy.

³ [Proposed Rule Change To Amend FINRA Rule 6730 To Enhance TRACE Reporting Obligations for U.S. Treasury Securities.](#)


consider shortening the reporting timeframe even further in the future. Ultimately, we recommend reducing reporting times for Treasuries to no greater than 15 minutes to match those currently in place for corporate bonds; and with respect to on-the-run Treasuries, we would suggest a 10-second reporting window to mirror U.S. equity markets.

FIA PTG continues to strongly support efforts to increase transparency for market participants. The current lack of comprehensive post-trade public reporting of Treasuries is unlike many other asset classes, and frankly difficult to understand considering the significant percentage of trading done electronically. We are hopeful that reducing the allowable window for transaction reporting and requiring Treasury transaction data be reported in a timely manner are the necessary first steps in moving towards real-time public reporting.

If you have any questions or need more information, please contact Joanna Mallers (jmallers@fia.org).

Respectfully,

FIA Principal Traders Group



Joanna Mallers
Secretary

cc: Gary Gensler, Chair
Hester M. Peirce, Commissioner
Allison H. Lee, Commissioner
Caroline A. Crenshaw, Commissioner