

June 29, 2011

Mr. David A. Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Effective Date for Swap Regulation

Dear Mr. Stawick:

The Commodity Futures Trading Commission ("CFTC") has requested comment on the proposed order addressing the effective date of the amendments and other additions to the Commodity Exchange Act made by the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"). See Effective Date for Swap Regulation, 76 Fed. Reg. 35,372 (June 17, 2011). One of the CFTC's important challenges is in formulating appropriate and workable SEF rules in harmonization with the SEC and with international regulators that will promote swap trading on organized, regulated platforms, a key derivatives reform objective of Dodd-Frank.

MarketAxess Corporation ("MarketAxess") operates a leading electronic trading platform for investment industry professionals that promotes transparency, price discovery, and liquidity in the corporate bond and other markets, including credit default swaps.¹ MarketAxess' current operations are consistent with the CFTC's SEF proposals for trading protocols, price transparency, audit trails, independence,² financial resources, and providing qualified eligible contract participants with fair and open access. We are ideally suited to achieve Dodd-Frank's objectives for SEFs and intend to begin operations as a SEF and as a security-based SEF as soon as possible. We therefore have a strong interest in, and appreciate the opportunity to submit further public comment on, the CFTC's regulatory proposals.

MarketAxess commends the CFTC for proposing steps to clarify which statutory provisions of Dodd-Frank will take effect on July 16, 2011 and to provide exemptions and take other actions to delay the effective date of certain provisions in order to avoid disruption to or legal uncertainty for the derivative markets and their participants. We also appreciate all of the CFTC staff's hard work on the dozens of rules that the CFTC has proposed to implement Dodd-Frank over the past year.

¹ MarketAxess Corporation is the principal operating subsidiary of MarketAxess Holdings Inc., a public company. We are regulated as a broker-dealer and as an alternative trading system operator by the U.S. Securities and Exchange Commission and the Financial Industry Regulatory Authority. Our principal offices are located in New York City, and we currently employ approximately 232 persons.

² Although initially a dealer-owned entity, MarketAxess Holdings Inc. is now a public company, with no dealer(s) owning, individually or in the aggregate, more than 20% of MarketAxess' common stock. In addition, MarketAxess' 12-person Board of Directors includes nine individuals who meet the requirements for independence under the rules of the Nasdaq Stock Market.



We have no doubt that the Commission and staff will continue working diligently to finalize as quickly as possible all of the regulations required to implement Dodd-Frank. We understand, however, that some factors are outside of the Commission's control, including agency resources to a certain extent. Because of this, MarketAxess would prefer an order providing a temporary exemption that would last until such time as the CFTC has adopted and implemented its final rules.

We base our recommendation on the extraordinary dedication that the Commission and staff have shown to date. If the CFTC's goal to finalize all of its needed rulemakings by November proves to be unattainable, the Commission and staff should be free to focus on the substance of the remaining rules at that time rather than needing to reconsider the effective date of the relevant Dodd-Frank provisions.

MarketAxess additionally recommends that the CFTC provide greater transparency by proposing for public comment a schedule of final rule implementation. The absence of this schedule has created uncertainty among market participants regarding the Commission's plan for phasing in its final rules and has thereby made it more difficult for market participants to make critical decisions regarding resource commitments and allocations.

We and other potential SEFs are making significant investments in trading functionality, client connectivity and compliance infrastructure in anticipation of SEF rules being finalized later this year and implemented shortly thereafter. The current lack of certainty on final rules and the expected timetable for implementation is making it more difficult to make additional investment decisions to be fully ready to register and operate a SEF with the Commission. Such an implementation schedule would provide market participants with necessary transparency as to the regulatory process that would enable the industry to plan effectively and to allocate resources in a more efficient manner that will better promote compliance with Dodd-Frank.

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We look forward to working with the CFTC to achieve the Congressional objective of promoting swap trading on SEFs. If you have any comments or questions about our comment letter or the SEF issues generally, please contact me or our General Counsel, Chuck Hood, at (212) 813-6053.

Respectfully,

Richard M. McVey
Chairman and Chief Executive Officer
MarketAxess Holdings Inc.