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January 7, 2013

Ms. Sauntia S. Warfield
Assistant Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, D.C. 20581

Re: Chicago Mercantile Exchange, Inc.'s Amended Request to Adopt a New Chapter 10 and New Rule 1001 related to the Regulatory Reporting of Swap Data

Dear Ms. Warfield:

The Commodity Markets Council ("CMC") appreciates the opportunity to comment on the Chicago Mercantile Exchange, Inc.'s ("CME") amended request to adopt a new chapter 10 ("Regulatory Reporting of Swap Data") and new Rule 1001 ("Regulatory Reporting of Swap Data") of CME's Rulebook. CMC is an industry trade association that brings together the interests of commercial end users, futures commission merchants ("FCMs"), liquidity providers, other commodity market participants and regulated derivatives exchanges. CMC represents the full spectrum of commodity markets participants and our members depend on cost effective and efficient derivative markets to manage commodity market risk.

CMC supports the objectives of the Dodd-Frank Act to increase transparency of the OTC swaps market and we appreciate the Commodity Futures Trading Commission's ("CFTC" or "Commission") efforts to enhance OTC swaps transparency through its implementation of the swaps reporting and swap data repository ("SDR") rules. While CMC is supportive of the broader objectives of Dodd-Frank, our members face increased compliance and other costs imposed by new Dodd-Frank requirements. One such regulatory requirement and related cost introduced by Dodd-Frank is the responsibility of reporting swap positions to SDRs.

CMC seeks cost effective and efficient alternatives for complying with the SDR requirement. Therefore, CMC supports the rule amendment proposed by CME to provide derivatives clearing organizations ("DCOs") the right to elect the SDR of record for swaps cleared by those DCOs. A DCO already provides transparency into derivatives markets by validating and registering trades, tracking post-trade changes, converting trades to positions, aggregating and valuing positions, and providing regulatory access to data.

As the Intercontinental Exchange (ICE) points out in its comment letter on this topic, "Congress explicitly recognizes that DCOs can serve as swap data repositories in Section 728 of Dodd-Frank. Section 728 expressly provides that a "derivatives clearing organization may register as a swap data repository." Given that DCOs currently provide transparency into derivatives markets, eliminating or restricting the ability of a DCO to serve as a swap data repository is both inefficient and subverts the intent of Dodd-Frank."¹

¹ Intercontinental Exchange (ICE) comment letter on Chicago Mercantile Exchange Inc's Amended Request to Adopt a New Chapter 10 New Rule 1001 related to the Regulatory Reporting of Swaps. December 13, 2012.

In our view, the Commission should not take any interpretations that have the effect of prohibiting or limiting DCOs from serving as an SDR. This result would be inefficient because it would require duplicative reporting and would unnecessarily increase regulatory burdens and costs on market participants. Furthermore, any limitations imposed on DCOs from serving as SDRs would result in the elimination of competition and choice in trades reporting, which could have the effect of hindering technological progress, and impeding the realization of cost and operational efficiencies.

CMC urges the CFTC to approve CME's proposed rule amendment because it would facilitate efficient and cost effective reporting of cleared swaps. CMC further urges the CFTC to amend Part 45 of the CFTC regulations to remove any uncertainty regarding the ability of DCOs to report to the SDR of their choice. These measures will enable CMC members and other swaps market participants to have an efficient and cost effective alternative for meeting the SDR requirement when clearing swaps through a DCO.

CMC appreciates the Commission's consideration of this letter. Should you have questions or wish to discuss this matter, I am available via email at sanjeev.joshi@commoditymkt.com or by phone at (202) 842-0400 - ext. 103.

Sincerely,

A handwritten signature in black ink that reads "S Joshipura". The signature is written in a cursive, slightly slanted style.

Sanjeev Joshipura
President, Commodity Markets Council

Appendix: List of CMC Member Organizations Supporting this Letter

Exchange Members

BM&FBOVESPA
Bursa Malaysia Derivatives Berhad
Chicago Board of Trade
Chicago Mercantile Exchange
ICE Futures U.S.
Kansas City Board of Trade
Minneapolis Grain Exchange
New York Mercantile Exchange

Industry Members

ABN AMRO Clearing Chicago, LLC
AGL Resources
Archer Daniels Midland
Avena Nordic Grain
BP Corporation North America
BNSF Railway
Brooks Grain, LLC
Bunge
Cargill Inc.
Cereal Food Processors
CTC Trading Group, LLC
Farms Technology, LLC
FCStone, LLC
Futures International, LLC
Gator Trading Partners, LLC
Gavilon, LLC
Gresham Investment Management, LLC
Icarus Trading, LLC
Infinium Capital Management
Kraft Foods
Laymac, Inc.
Lincoln Grain Exchange
Louis Dreyfus Commodities
Macquarie Bank Limited
Mercuria Energy Trading
McNamara Options, LLC
Mocek, Greg
Rand Financial Services, Inc.
RJ O'Brien
Riverland Ag
Rosenthal Collins Group, LLC
The Andersons, Inc.
The Scoular Co.
Vermillion Asset Management
Virtu Financial, LLC