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January 24, 2022

Mr. Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Request for Information and Comment on Swap Clearing Requirement To Account for the Transition From LIBOR and Other IBORs to Alternative Reference Rates; RIN 3038-AF18. 17 CFR Part 50 (November 23, 2021)

Dear Mr. Kirkpatrick:

Bloomberg L.P. appreciates the opportunity to provide its comments to the U.S. Commodity Futures Trading Commission (the "Commission") in response to its request for comment on how the Commission could amend its swap clearing requirement to address the transition away from certain interbank offered rates (e.g. the London Interbank Offered Rate (LIBOR)) and the market adoption of alternative reference rates; particularly overnight, nearly risk-free reference rates (RFRs), in the above-referenced release.

Bloomberg Index Services Limited, a wholly owned subsidiary of Bloomberg L.P., administers the Bloomberg Short-Term Bank Yield Index ("BSBY"), a credit-sensitive reference rate that incorporates a systemic bank credit spread and defines a forward term structure. [1] BSBY aims to measure average yields at which global banks access USD senior unsecured marginal wholesale funding. BSBY includes a systemic credit-sensitive spread, designed to support the market's transition away from LIBOR.

Bloomberg L.P. appreciates the Commission's continued attention to an important issue that will bring about changes to benchmark reference rates around the world. These changes will affect

[1] Bloomberg Index Services Limited (BISL) is an authorized benchmark administrator and subsidiary of Bloomberg L.P. BISL licenses BSBY for use in the United States as a financial benchmark. In addition to BSBY, BISL administers the Bloomberg flagship family of fixed-income indices, the Bloomberg Commodity Index (BCOM), and Bloomberg's Global Equity Index family. BISL provides robust governance and oversight over its benchmark offerings.

trading liquidity, clearing availability, risk management, and competition, and it is important to ensure that the regulatory framework is appropriately calibrated to ensure a smooth transition and avoid market disruption.

With regard to the above-mentioned release, Bloomberg L.P. wishes to specifically address question 16 posed by the Commission:

16. How and when should the Commission evaluate whether to require clearing for interest rate swaps denominated in USD that reference alternative reference rates other than SOFR, such as credit-sensitive benchmark rates (e.g., Ameribor and BSBY)? Provided that one or more DCOs have made such swaps available for clearing, are there additional factors or considerations beyond those specified in Section 2(h)(2)(D)(ii) of the CEA that the Commission should consider in determining whether to adopt a clearing requirement for such swaps?

Bloomberg L.P. believes that the evaluative factors and considerations taken into account for alternative reference rates to allow for the clearing of USD interest rate swaps should be consistent for all alternative rates and should not be determined on a rate-by-rate basis. Consistent application of the same evaluative standards across rates provides a level playing field which benefits all market participants.

Bloomberg L.P.is not aware of any additional considerations beyond those outlined in Section 2(h)(2)(D)(ii) of the CEA that we believe should be considered by the Commission in determining whether to adopt a clearing requirement for such swaps.

We appreciate the opportunity to provide our comments and would be pleased to discuss any questions that the Commission may have with respect to this letter.

Very Truly Yours,

Gregory R Babyak

Gregory Babyak
Global Head of Regulatory Affairs, Bloomberg L.P.