

MEMO# 35551

December 18, 2023

ICI Submits Letter to SEC on FINRA Proposal to Disseminate Transaction-Level Data for Certain US Treasury Securities

[35551]

December 18, 2023

TO: Fixed-Income Advisory Committee

Money Market Funds Advisory Committee

SEC Rules Committee RE: ICI Submits Letter to SEC on FINRA Proposal to Disseminate Transaction-Level Data for Certain US Treasury Securities

Attached is a copy of ICI's comment letter as filed to the SEC on FINRA's proposed rule change to disseminate transaction-level data in US Treasury securities that are On-the-Run Nominal Coupons on an end-of-the-day basis. ICI's letter is largely consistent with the [comments provided](#) to the US Treasury Department to its 2022 Request for Information and expresses support for FINRA's proposal. This support is based in part on measures that FINRA has incorporated to address information leakage concerns, including limits on the scope of Treasury securities to On-the-Run Nominal Coupons, delayed reporting until the end of the day, and dissemination cap levels for larger-sized transactions.

ICI's letter also acknowledges that FINRA provided [additional information](#) last week disclosing some of the additional factors that it considered in setting the proposed cap levels. The letter states that moving forward, FINRA should provide additional insight into any metrics associated with those factors, which could help market participants assess whether changes in liquidity conditions should warrant recalibrating dissemination requirements in the future and evaluate any further regulatory enhancements to transaction-level reporting.

Nhan Nguyen

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.