

From: NoReply@cftc.gov
To: secretary;
Subject: CFTC Public Comment on IF10-009
Date: Monday, November 29, 2010 12:30:30 PM

A comment has been submitted on IF10-009

Submitter name: Gonzalo Chocano

Submitter comment: VIA ELECTRONIC SUBMISSION November 29, 2010

Mr. David A. Stawick Secretary Commodity Futures Trading Commission
1155 21st Street, N.W. Washington, D.C. 20581 Re: Application Submitted
by New York Portfolio Clearing, LLC for Registration as a Derivatives
Clearing Organization Dear Mr. Stawick: Merrill Lynch Pierce Fenner &
Smith Incorporated ("Merrill Lynch") welcomes this opportunity to submit
this comment letter to the Commission in support of the application of
New York Portfolio Clearing, LLC ("NYPC") to be a derivatives clearing
organization ("DCO") registered under Section 7a-1 of the Commodity
Exchange Act (the "Act") and thus a registered entity as defined in Section
1a(29)(C) of the Act. Merrill Lynch is a top 10 global futures commission
merchant and broker-dealer that services the needs of both individual and
institutional clients worldwide and provides clearing and execution services
in respect to both futures and fixed income securities. We believe that
NYPC's application should be approved because it will both increase
competition and provide a valuable service to the financial markets. First,
NYPC promises to deliver competition in the US futures market with regard
to interest rate products. A well-capitalized alternative will provide market
participants with an additional source of liquidity in these products.
Second, if NYPC is able to successfully provide portfolio margining of both
interest rate futures and fixed income securities, both futures customers
and futures commission merchants will benefit from both increased
efficiencies and capital savings. We urge the Commission to approve the
application of NYPC to be a registered DCO. Merrill Lynch believes such
action will benefit all participants in the futures and fixed income markets.
Merrill Lynch appreciates this opportunity to provide this comment letter
and would be happy to discuss this matter further with staff of the
Commission. Should you wish to discuss this further, you may contact
Gonzalo Chocano at (646) 855-4479 or Robert P. Burke at (646) 743-
0090. Sincerely, Gonzalo Chocano Managing Director Robert P. Burke
Managing Director