

From: chualeeming@gic.com.sg
Sent: Monday, September 20, 2010 11:49 AM
To: OTCDefinitions <OTCDefinitions@CFTC.gov>; RealTimeReporting <RealTimeReporting@CFTC.gov>
Subject: Definitions; Real Time Reporting
Attach: DF Comments (CFTC) 200910.pdf

Please see attached.
(See attached file: DF Comments (CFTC) 200910.pdf)

Thank you.

This email from the Government of Singapore Investment Corporation may contain confidential information. Unauthorised communication and disclosure of any information in this email is prohibited. If you are not the intended recipient, please notify the sender and delete this email immediately.



September 20, 2010

David A Stawick
Secretary
Commodity Futures Trading Commission

Dear Mr Stawick

Re: Comments the Dodd-Frank Act – (a) Definitions; (b) Real Time Reporting

Thank you for the opportunity to give our comments.

We support the reforms under the Dodd-Frank Act. We believe these reforms are good for the overall financial system, and a positive step towards better financial supervision, greater price transparency and reduction of systemic risk.

We have a few specific comments which we hope will receive your due consideration.

(a) Definitions: Major Swap Participant; Major Security-based Swap Participant

At the outset, we note that the objective of the concepts of Major Swap Participant (MSP) and Major Security-based Swap Participant (MSSP) is for SEC and CFTC to have oversight over systemically important firms with huge exposures and potentially significant impact on the US financial system. The treatment of these two concepts should remain consistent with this objective.

First and foremost, we believe long term financial investors should not be regulated as MSPs or MSSPs. Instead, regulation of MSPs/MSSPs should target intermediary-type entities. Regulating long term financial investors increases their cost of operations and could discourage participation in the US market. Further, such investors are required to report trading information; we respectfully submit that this requirement is sufficient and that there is no compelling necessity to regulate them as MSPs/MSSPs.

Secondly, as regards defining the “substantial position” threshold to determine who will be MSPs/MSSPs, the legislation envisages defining the phrase to enable effective monitoring and supervision of systemically important entities. In light of this, we submit that leverage should be the determining factor in defining the “substantial position” threshold. Alternatively, any definition by reference to absolute size of positions should take into account the asset base.

Finally, with respect to capital requirements applicable to investment managers who are treated as MSPs/MSSPs, these should be based on the asset base under management and not the investment manager’s own capital.

(b) Real Time Reporting

We support the position taken in the Act that trade information will be made available to the public only in aggregate form and will not identify specific participants. This principle should apply to all public disclosures of trade information.

Thank you once again for this opportunity to give our comments.

Sincerely,



Lee Ming Chua
General Counsel