

February 9, 2016

Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: Investors' Exchange LLC Exchange Application (File No: 10-222)

Dear Mr Fields,

As a former quant/high frequency trader with over 7 years industry experience at some of the largest investment banks and now an academic researcher with a specialisation in market microstructure research I would like to express my support for the approval of exchange status for Investors' Exchange LLC, IEX henceforth.

Trading is a zero sum game. For every dollar a high frequency trader (HFT) earns it must be coming at somebody else's expense. It is only natural for those losing money to HFTs to look for a means of defence. IEX is simply that defence and the next evolution in market design. We have watched markets evolve significantly from the open outcry pits of yesteryear and there is no reason to stop now. One of the key characteristics central to capitalism is a competitive market. It is ironic that the US stock market is viewed globally as a symbol of capitalism, yet the IEX may not be given exchange status. Pure capitalism would grant IEX exchange status and let market forces decide if it should exist.

I have traded markets throughout Africa, Asia and Europe, however the US has received little attention. This is because for myself, and all other traders I know, the US market is notoriously difficult to trade, due to the large amount of execution slippage faced. This is attributed to the "wild west" nature of the US market, which is often viewed by numerous traders outside the US as being rigged. Many still recall the work of Christie and Schultz who demonstrated that the Nasdaq dealers were price fixing, and there is an underlying belief the US market is still designed to favour those "on the inside". Exchange status for IEX would be a welcome step to restore the balance.

The views and opinions expressed in this letter are those of my own and based on my experience and research and do not necessarily reflect the position of The University of Sydney.

Yours Sincerely,

Richard Philip, Ph.D.
The University of Sydney