**Michael A. Petronella**
President

Dow Jones Indexes
A CME Group Company

**CME Group Index Services**
P.O. Box 300
Princeton, NJ 08543
609.520.5610 Fax: 609.452.3242
mike.petronella@djindexes.com

September 20, 2010

The Honorable Mary L. Schapiro
Chairman
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

The Honorable Gary Gensler
Chairman
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, D.C. 20581

Re: Comments to the Joint CFTC-SEC Advisory Committee

Dear Chairman Schapiro and Chairman Gensler:

CME Group Index Services, LLC ("Dow Jones Indexes") appreciates the opportunity to provide its views to the Joint CFTC-SEC Advisory Committee on Emerging Regulatory Issues ("Joint Committee"). Dow Jones Indexes is a joint venture company which is owned 90 percent by CME Group Inc. and 10 percent by Dow Jones & Company, Inc., a News Corporation company. Dow Jones Indexes develops, maintains and licenses indexes for use as benchmarks and as the basis of investment products. Among the more than 130,000 equity indexes offered by Dow Jones Indexes is the well known Dow Jones Industrial Average ("DJIA"). As publisher of the DJIA, Dow Jones Indexes is particularly interested in certain questions raised by the Joint Committee, namely, whether any changes to the current trading halt index reference index are appropriate in light of the events of May 6th, 2010.

****

The equities markets currently institute trading halts based on certain percentage movements in the DJIA. These mechanisms are codified in New York Stock Exchange ("NYSE") Rule 80B. Other stock and futures markets have adopted trading halt mechanisms that are in accordance with the NYSE Rule 80B standard. As such, the DJIA currently serves as the reference index for multi-market trading halts.

In our view, the most important factor in determining a trading halt reference index is its recognition among all market participants that may be affected. The DJIA is the most commonly known and accepted index by the broadest segment of market participants. This is particularly true with respect to the retail sector. This level of retail recognition is vital, given the fact that, according to the US Census Bureau, U.S. households hold approximately 36% of U.S. equity securities and mutual funds, the next largest sector, hold approximately 19%. Other well known indexes serve as widely used institutional benchmarks and provide the basis for many liquid financial products. However, it is the DJIA that is commonly understood by the broadest segment of investors.[1]

There are certainly other factors that are important as a threshold matter. For example, the construction and weighting methodology for an index must be appropriate, it should feature substitute and complementary products available in a number of markets and its volatility must be suitable to serve as trading halt reference index. The DJIA scores highly in all of these categories as well. The DJIA is comprised of highly liquid US equity securities which provide broad based representation of the US equity market across industry sectors. The following table shows how favorably the DJIA's sector weights compare to another well known US equity index, the S&P 500, as of July 2010.

| Sector | DJIA | S&P 500 |
|---|---|---|
| Basic Materials | 3.75% | 3.40% |
| Communications | 8.08% | 11.31% |
| Consumer | 30.48% | 29.11% |
| Diversified | 0.00% | .04% |
| Energy | 9.83% | 11.04% |
| Financial | 10.80% | 16.34% |
| Industrial | 22.46% | 10.78% |
| Technology | 15.97% | 13.02% |
| Utilities | 0.00% | 3.58% |
| Total | 100% | 100% |

As the table below reflects, the liquidity of the components of the DJIA, as measured based upon the daily average composite share volume over a 6 month time frame, are higher than those of the S&P 500.

| Index | Average Constituent | Lowest | Highest |
|---|---|---|---|
| DJIA | 29, 041,539 | 4,515, 631 (3M) | 173,056,055 (Bank of America) |
| S&P 500 | 8,370,051 | 87,654 (Washington Post) | 673,687,307 (Citigroup) |

Some have called for a reference an index with more constituent stocks, for example, the S&P 500, to address the events of May 6th. We believe that the fact that the DJIA served as the basis for

[1] Further, because the DJIA has acted as the halting standard for over two decades, it is reasonable to assume that the industry has developed an expectation of its use.

determining the market wide trading halts on May 6th was entirely irrelevant. Neither the DJIA nor the larger S&P 500 Index breached an existing trading halt level on May 6th. Thus, even if the S&P 500 had been in place as the trading halt reference index, the events of May 6th would have occurred exactly as they did. We note that the DJIA at its low on May 6th actually reflected a larger percentage change on that day than the S&P 500 - the low point of the DJIA was 9,869.82 (down 998.48 points) or 9.2% and the low point of the S&P 500 was 1065.79 (down 98.59 points) or 8.5%. Given the above, we do not think there is a sound basis to move away from the DJIA as the halt reference index simply because it did not trigger on May 6th.

****

Thank you for the opportunity to share our views. I would be happy to answer any questions you might have or provide additional information on these issues.

Sincerely,

Michael A. Petronella

Michael A. Petronella
President

cc: The Honorable Kathleen L. Casey, Commissioner, SEC
The Honorable Elisse B. Walter, Commissioner, SEC
The Honorable Luis A. Aguilar, Commissioner, SEC
The Honorable Troy A. Paredes, Commissioner, SEC
Mr. Robert Cook, Director, Division of Trading & Markets, SEC

The Honorable Michael Dunn, Commissioner, CFTC
The Honorable Bart Chilton, Commissioner, CFTC
The Honorable Jill Sommers, Commissioner, CFTC
The Honorable Scott O'Malia, Commissioner, CFTC