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November 29, 2010

BY EMAIL TO: **rule-comments@sec.gov**
Ms. Elizabeth M. Murphy
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Short-Term Borrowings Disclosure (File Number S7-22-10)

Dear Ms. Murphy:

The Dealer Accounting Committee of the Securities Industry and Financial Markets Association[1] (the "Committee") is pleased to offer you our comments on the U.S. Securities and Exchange Commissions' ("SEC") above-captioned proposed rulemaking (the "Proposal"). The Committee consists of internationally active dealers that operate across the full spectrum of the global capital markets.

The Committee is supportive of the Proposal and the additional quantitative and qualitative disclosure requirements. These additional disclosure requirements within managements' discussion and analysis should bring consistency to all registrants, not only bank holding companies, and help investors better understand a registrant's short-term borrowing arrangements and improve the discussion of liquidity and funding risks to which the registrant is exposed.

However, the Committee strongly urges the SEC to waive the requirement of retrospective implementation for financial companies and require the disclosures on a prospective basis only; this would be consistent with the transition guidance proposed for nonfinancial companies and the current exemptions within the Exchange Act Industry Guide 3, Statistical Disclosure by Bank Holding Companies ("Guide 3"). We make this recommendation because:

- Some of our members have never gathered certain of the quantitative data required by the Proposal.
- A number of members, who qualify as financial companies under the proposal, have obtained individual exemptions from reporting daily averages as required under the current Guide 3 due to the undue burden and expense of calculating daily averages. As an alternative, they generally provided monthly averages.

[1] The Securities Industry and Financial Markets Association (SIFMA) brings together the shared interests of hundreds of securities firms, banks and asset managers. SIFMA's mission is to support a strong financial industry, investor opportunity, capital formation, job creation and economic growth, while building trust and confidence in the financial markets. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association (GFMA). For more information, visit www.sifma.org.

- Our members who are foreign private issuers ("FPIs") have only compiled this information on an annual basis, while the Proposal requires the information be included at interim periods.
- This data is often difficult to obtain on a retrospective basis; some of the financial data needed to recreate prior period statistics on a daily basis, including daily information of fair value measurements and netting of reverse repurchase agreements and repurchase agreements, is not available. Although certain of this daily information is currently available in risk management systems, it is not always directly linked to financial reporting systems and is only recorded at month end on a manual basis. As a result, collection and compilation of daily information from prior periods cannot be performed without unwarranted or undue burden or expense.

The Committee also strongly urges that the effective date of these new disclosures should be for periods ending no earlier than June 30, 2011 and for FPI's, for periods ending no earlier than December 31, 2011. The availability of incremental quantitative data for 2010 is subject to the same practical constraints noted above. Our proposed effective dates will give firms the time necessary to modify financial reporting systems and manual procedures to enable the data to be gathered accurately.

In response to question 10 in the Proposal, the Committee urges the SEC to clearly define the maximum daily amount of short-term borrowing to be an end-of-day balance and not an intra-day balance. The tracking and consolidation of intra-day balances would be impossible for entities that have global operations, especially for frequently transacted repurchase agreements and securities lending transactions. In addition, the netting of reverse repurchase agreements against repurchase agreements can only be performed on end-of-day balances when a static portfolio of instruments can be verified, as is required by the netting criteria.

In response to question 4, the Committee does not recommend the additional disaggregation of short-term borrowings in the quantitative disclosures of average balances by currency or other grouping. Substantial effort will be required to gather this data and we do not believe that the exercise will be cost-beneficial.

If you have any questions about the comments above, please feel free to contact the undersigned (212-357-8437; matthew.schroeder@gs.com) or Kyle Brandon (212-313-1280; kbrandon@sifma.org), the staff advisor to the Committee.

Sincerely,

Matthew L. Schroeder

Matthew L. Schroeder
Chair
SIFMA Dealer Accounting Committee