

September 24, 2019

Marcia E. Asquith  
Office of the Corporate Secretary  
Financial Industry Regulatory Authority  
1735 K Street NW  
Washington, DC 20006-1506

**Re: FINRA Regulatory Notice 19-25: Requests for Comments on a Proposal to Require Reporting of Transactions in U.S. Dollar-Denominated Foreign Sovereign Debt Securities to TRACE**

Dear Ms. Asquith:

Bloomberg L.P. is grateful for the opportunity to provide the Financial Industry Regulatory Authority (“FINRA”) with further comments regarding the above-referenced regulatory notice request for comments (the “Notice proposal”).

### **Background**

In principle, Bloomberg agrees with the proposed expansion of the Trade Reporting and Compliance Engine (“TRACE”) reporting to include U.S. dollar denominated debt securities. We would like to add our support to the Financial Information Forum’s TRACE Working Group (“FIF Working Group”) comments and voice additional concerns over the identification of U.S. dollar denominated debt securities.

### **TRACE Expansion Identifier Considerations**

Bloomberg believes that the proposed expansion provides FINRA with the opportunity to afford broker-dealers greater flexibility to expeditiously report all TRACE eligible securities and at the same time lower their operational costs.

FINRA TRACE reliance on CUSIP identifiers for *reporting* trades imposes a significant and restrictive cost on the industry as a whole. In 2009, Bloomberg developed the predecessor to the Financial Instrument Global Identifier (“FIGI”), an open-standard identifier framework that can be used as an alternative to CUSIP for the identification of fixed income securities. In 2014, Bloomberg assigned the rights and interests in FIGI to the Object Management Group (“OMG”), a not-for-profit technology standards consortium that now administers FIGI as an open data standard. FIGI is the only existing standard identification symbology currently in production that, per the requirements set out by the OMG, is fee-free and license-free, in perpetuity, under the MIT Open Source License.

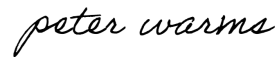
To reduce implementation costs on the consumers of TRACE data, in 2012, FINRA began to include FIGI, as well as the CUSIP and CINS identifiers with the trade data that FINRA

*disseminates* through TRACE.<sup>1</sup> FINRA accurately determined that providing the option for consumers of TRACE data to leverage FIGI, a license-free, machine-readable open data-based identifier system, could increase market transparency while reducing implementation costs by enabling market participants to use the data without the expense of licensing CUSIP numbers. The proposed expansion now enables FINRA to make a similar potential cost savings opportunity available to FINRA members when *reporting* trades to TRACE.

### Conclusion

We appreciate the opportunity to provide our comments on the Notice proposal and would be pleased to discuss any questions that FINRA may have with respect to this letter. I can be reached at [pwarms@bloomberg.net](mailto:pwarms@bloomberg.net).

Very truly yours,



By: Peter Warms

---

<sup>1</sup> See, e.g., Financial Industry Regulatory Authority, “TRACE Corporate Bonds and Agency Debt User Guide Version 4.7” at 88, available at <http://www.finra.org/sites/default/files/TRAQS-CA-user-guide-v4.7.pdf>.