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## FIA and FIA PTG Comment on Modernizing CFTC's Surveillance Systems

Washington, D.C.—August 5, 2014—FIA and the FIA Principal Traders Group sent a [letter](#) to the Commodity Futures Trading Commission yesterday, urging the CFTC to leverage existing resources as it works to develop a 21<sup>st</sup>-century surveillance system.

“We appreciate the CFTC’s efforts to keep pace with evolving markets,” said Walt Lukken, President and CEO of FIA. “The Commission already collects a range of valuable data points, and it has access to even more surveillance data through the exchanges. Rather than creating redundant systems, we believe the CFTC would more effectively enhance its surveillance efforts by increasing its analytical capacity and using existing data to test for cross-exchange abuses.”

FIA and FIA PTG detailed five core requirements for surveillance modernization, including:

- Continuing the successful practice of delegating “front-line surveillance” to exchanges
- Increasing the quantitative and analytical expertise of CFTC staff so as to better understand increasingly complex data
- Surveying cross-market activities using existing large trader and daily transaction reports
- Avoiding the duplication of existing systems built or commissioned by exchanges
- Maintaining data privacy and security

The full text of the letter is available online [here](#).

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*FIA is the leading trade organization for the futures, options and cleared swaps markets worldwide. FIA’s membership includes clearing firms, exchanges, clearinghouses and trading firms from more than 25 countries as well as technology vendors, lawyers and other professionals serving the industry. FIA’s mission is to support open, transparent and competitive markets, protect and enhance the integrity of the financial system, and promote high standards of professional conduct. As the principal members of derivatives clearinghouses worldwide, FIA’s member firms play a critical role in the reduction of systemic risk in the global financial markets. FIA and its affiliates FIA*

*Europe and FIA Asia make up the global alliance FIA Global, which seeks to address the common issues facing their collective memberships.*

*FIA PTG is an association of more than 20 firms that trade their own capital on exchanges in futures, options and equities markets worldwide. FIA PTG members engage in manual, automated, and hybrid methods of trading, and they are active in a wide variety of asset classes, including equities, fixed income, foreign exchange and commodities. FIA PTG member firms serve as a critical source of liquidity, allowing those who use the markets, including individual investors, to manage their risks and invest effectively. FIA PTG advocates for open access to markets, transparency, and data-driven policy.*

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