



August 27, 2013

Via Electronic Mail

Mr. Robert deV. Frierson
Secretary
Board of Governors of the
Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, D.C. 20551

Re: Report of Selected Money Market Rates – FR 2420 (OMB control number: 7100-to-be-assigned)

Dear Mr. Frierson:

Barclays appreciates the opportunity to comment on the proposal to require a *Report of Selected Money Market Rates* by the Board of Governors of the Federal Reserve System (the “Federal Reserve” or the “Board”), intended to collect daily liability data on federal funds, Eurodollar transactions, and certificates of deposit (CDs) from depository institutions with total assets in excess of \$26 billion or US branches and agencies of foreign banks with third party assets of at least \$900 million. In addition to this comment letter, Barclays has participated in the preparation of the joint trade comment letter (“joint trade letter”) submitted by The Clearing House, the Institute of International Bankers, the Financial Services Roundtable, and the American Bankers Association, and strongly supports the recommendations made therein. We believe that the views and recommendations advanced in those letters collectively offer effective measures to implement the proposed reporting requirement.

Barclays recognizes the value of monitoring money market activity and understands that the report will serve to support the Federal Reserve’s ongoing market monitoring by offering insight into aggregate rate and volume trends of the reported money market products and related activity. With these objectives in mind, we also note that the proposal under consideration raises material challenges for both industry and the Federal Reserve, particularly given the proposed timing and required next-day daily reporting. This comment letter is intended to address these issues, with a view to supporting the Federal Reserve’s objectives through more accurate and timely reporting.

Lag reporting

Form 2420 is proposed to be filed with the Federal Reserve Bank of New York by 7 a.m. Eastern Standard time and on a daily basis, reflecting transactions undertaken during the prior business day. As a primary consideration, the nature of the proposed report will require the development of entirely new processes in order to aggregate and report the transaction data, which is an industry-wide challenge and requires lead-time. In addition, the Federal Reserve’s collection system is a manual upload process, with no existing functionality to upload systematically: when that automatic functionality becomes available, lead time will be needed for testing. Finally, the proposed daily timing does not permit the firm the time

required to perform analysis and ensure accuracy and reasonableness of the data prior to submission, raising the prospect of repeated resubmissions by covered firms.

Given these challenges, we agree with the joint trade letter that submissions should occur on a lag basis, rather than daily 7 a.m. reporting the previous day's transactions. Reporting on a T+2 basis, as proposed in the joint trade letter, is a reasoned approach to improve the reliability and accuracy of reported data, correct any system batch feed failures prior to submission, and, in turn, better support Federal Reserve market monitoring objectives.

Implementation date

The proposal indicates that the intent for implementation of the reporting requirements is for a 'short transition period' during which reporting firms will be permitted to submit the data at a later hour in the business day. The industry will require lead time to source our sub ledgers, write specifications for the report, implement, and validate the required data set before migrating to the regulatory production server. In addition, we will need time to test the submission files to meet Report Central specifications.

We support the joint trade letter's proposed trial period framework and believe that a go-live date in the first quarter of 2014 would permit sufficient lead time for financial institutions to build out the necessary reporting capability to comply with the reporting requirements and perform testing to ensure more timely and accurate reports.

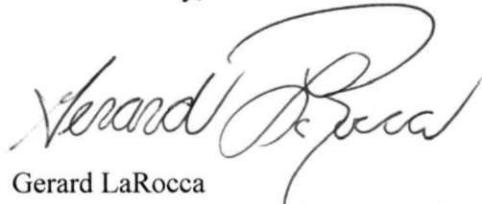
Reportable data set

In addition to our comments above, we request confirmation that the reportable data set is for the preceding day's activity, rather than all open transactions.

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We appreciate the Federal Reserve's consideration of the views set forth in this letter and welcome the opportunity to discuss any part of this letter in greater detail.

Yours sincerely,



Gerard LaRocca
Chief Administration Officer, Americas

cc: Joe Busuttil, CFO Finance, Americas
Joseph Regan, Financial Controller, Americas
Robert Martini, Head of Americas Regulatory Reporting