



Commodity Futures Trading Commission

Office of Public Affairs

Three Lafayette Centre

1155 21st Street, NW

Washington, DC 20581

www.cftc.gov

Final Regulations Regarding Large Trader Reporting for Physical Commodity Swaps

The Commodity Futures Trading Commission (Commission) announced the publication in the Federal Register of final regulations concerning position reports for physical commodity swaps and swaptions. The regulations are necessary for fulfilling the Commission's regulatory responsibilities under the Commodity Exchange Act (CEA).

The Commission's final regulations allow the Commission to:

- For the first time, survey systematically the cleared and uncleared swaps markets.
- Administer its regulatory responsibilities under the CEA by implementing and conducting effective surveillance of economically equivalent physical commodity futures, options and swaps.
- Support its transparency initiatives, such as its Commitment of Traders and Index Investment Data Reports.
- Monitor compliance with the trading requirements of the CEA as amended by the Dodd-Frank Act.

The Commission's final regulations call for:

- Establishment of a reporting system to collect necessary data on economically equivalent swaps in order for the Commission to be able to carry out effective market surveillance and monitor compliance with the CEA's trading requirements.
- The reporting system to serve as the source for swaps positional data until swap data repositories (SDRs) are in operation and potentially serving as the Commission's primary source for swaps positional data.
- A position to be deemed reportable under the system if it is, in any one futures equivalent month, comprised of fifty or more economically equivalent swaps (on a futures equivalent basis) based on the same commodity underlying any of the designated contract market (DCM) contracts listed in the final regulations. Reporting entities also have the discretion to deem a reporting level of one economically equivalent swap to be a reportable position, if they prefer to avoid reporting level calculations.
- Clearing organizations to collect and report on a daily basis the aggregate proprietary and aggregate customer accounts of each of their clearing members.
- Clearing members and swap dealers to report on a daily basis their principal (proprietary) positions and their counterparty positions in economically equivalent swaps.
- Clearing organizations, clearing members and swap dealers to keep records of all transactions in reportable economically equivalent swaps, and persons with more than fifty all-months-combined futures equivalent positions in reportable economically equivalent swaps on the same commodity to keep records of all transactions related to such positions.
- Clearing members and swap dealers to submit, whenever an account becomes reportable under the regulations, a 102S filing with the Commission identifying the counterparty of the reportable position.
- Each person subject to the final regulations' books and records requirements to submit, upon a special call by the Commission, a 40S filing with the Commission providing information on the reportable positions.