

June 3, 2009

Mrs. Elizabeth Murphy
Secretary, Securities and Exchange Commission
100 F Street, NE
Washington DC, 20549-1090

Ref. File No: S7-08-09

Dear Mrs. Murphy,

I appreciate the opportunity of having my voice heard in the matter of reinstating the uptick rule. I have read all the amendments to Regulation SHO proposed by the SEC and strongly oppose a market wide short sale price test. The practice of short selling is a significant contributor to the liquidity and price efficiency of the stock market. A "bid test" or "last sale test" would decrease liquidity and significantly widen spreads in many stocks, particularly those of small cap companies. This would scare the common investor away or worse, fill them at an unexpected price due to lack of quote depth.

I do not believe it is proper to compromise the liquidity of the entire United States stock market in order to attempt to avoid the reoccurrence of the questionable "bear raid" scenarios that occurred last year . In fact, it is downright irresponsible. There is no empirical evidence anywhere that the removal of the uptick rule has increased volatility in the markets. A market wide circuit breaker would also attract manipulation of stock prices around the breakpoint levels. Perhaps an alternative would be for the SEC to make a list of financial institutions that are of significant importance to the economy and impose a circuit breaker solely on those specific companies.

What has happened to the state of our economy has been unfortunate to put it lightly. I understand that investor confidence is currently dire due to the recession and that the SEC is under pressure from the common investor to reinstate the uptick rule. Perhaps the presence of a short sale price test gives some people the illusion of safety but the direction of the stock market cannot be influenced by changing the mechanics of how it trades. We all know this recession would still be here regardless of the presence of the uptick rule. I hope that the SEC makes the correct decision in keeping our markets efficient and liquid and withhold from re-implementing a market wide uptick rule.

Sincerely,

Andrés Vélez