S7-08-22 Short Position and Short Activity Reporting by Institutional Investment Managers

This is an absolute gem of a rule that needs implementation yesterday. I support all efforts towards transparency and, typically, rebuttals are from those who do not wish to be noticed while they're scumming around the finance world doing whatever they wish without adult supervision. To truly know how organizations are shorting, a detestable maneuver to be sure, is of paramount importance and will hopefully drastically decrease the use of this tool as a manipulation technique to funnel yet more money into the morally-bankrupt actors' pockets. Also, a firm golf-clap for the 'buy to cover' marking requirement. I do enjoy thinking about how the nefarious will deal with such things.

Now for the fun part. Beautiful, almost violent, dissection of the counter-arguments from my favorite group of chivalrous financiers, Virtu.

If you guessed that the first screeching whine from a massive financial institution would be "BUT MUH COSTS", give yourself time for five deep breaths, a soothing self-affirmation, and a mental pat on the back. I cannot express to you in adequate detail how little I care about the costs of implementation for these people. Virtu quite literally uses all its available financial instruments, to include derivatives of questionable repute, to make **billions**.

From 2019-2021, Virtu made an annual revenue of $7.567 BILLION but that can be deceptive and I want to be fair. Let's instead use annual gross profit from the same period: only a meager $5.677 BILLION! I weep for their poverty. You know what? They're right. Implementation that they say will cost them $156 million is WAY too much! That's 2.7% of their gross profits for the years of 2019 through 2021! How do you overreaching, micromanaging harpies expect poor Virtu TO EAT?!

Idiocy. "…Proposal would also foist massive, unreasonable costs on firms to update their systems and trading processes in order to comply." These costs are noted as "staggering" by Thomas Merritt which makes me question whether or not he knows the definition of 'staggering'. Dictionary.com gives us, "tending to stagger or overwhelm" as in this amount caused poor Tommy here to be shocked, to reel or totter about unsteadily, to be rendered helpless with amazement because, my god, the amount is SO MUCH! It isn't. You can handle it, Virtu, I promise, though you might need to hire another, less prone-to-getting-the-vapors-at-any-hint-of-increased-costs, Deputy General Counsel because I don't think he understands how much money you guys actually have. Virtu, you're part of the big boys' club. You have to pay big boy prices when things need doing. Like this rule needs doing.

Virtu rails against the costs while saying this data is just a "nice to have", clearly insufficient for implementation of such a rule.

Hard disagree.

This is necessary and directly beneficial rule that will shower us investors with information that should already be available. Just because you don't want to report it and suffer the costs involved in updating dreadfully lacking elements of an industry that is well out-of-control is less than relevant.

Let me be abundantly clear; I don't want institutional investment managers to avoid reporting. I WANT institutional investment managers to report on short positions & activity. I WANT this data because it is painfully obvious that it is NEEDED in order to begin the slog towards reining the institutional investment managers in from where they've been frolicking, care-free, and unimpeded for far too long. I want institutional investment managers to report as required by a short position. I want institutional investment managers to report even the shortest of short-term transient short positions. I want to KNOW whether or not institutional investment managers' positions are hedged, partially or otherwise, or if institutional investment managers are just flying by the seat of their pants unhedged. I want to know every…single…detail about how institutional investment managers are marking orders, ESPECIALLY short ones.

I could go on, but it's ultimately pointless to my conversation with the SEC. This is a rule that needs to be implemented. The very fact that I could, without much expenditure other than the sheer wasted volume of time spent demolishing these people's points, continue to detonate counter-argument after counter-argument grunted out by the supposed professionals in the room tells you much more about whether or not this rule should be adopted than I ever could.

I support S7-08-22's implementation.

V/r,

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