October 29, 2022

By Email

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 205499–1090
rule-comments@sec.gov

Re: Release No. 34–94313; File No. S7–08–22 Short Position and Short Activity Reporting by Institutional Investment Managers

Ms. Countryman:

I became interested in the markets as I was graduating in 2008. I got obsessed about trying to understand how these complex derivatives became the ultimate nail in the world's coffin. As a retail investor, I like to think I have good understanding of how the markets function. It seems like it gets opaquer ever year with new financial products or ways to hide positions. This was the main downfall of 2008. There was no mark to market, no requirement to write down actual positions. Swaps are swaps. Whether bundled in CDO's, CDS's, or TRS's. I'm sure the are plenty other products that I have no clue about because there is no transparency.

Swaps inherently imply a short position because some "institutions" (ie. Firm, bank, hedge funds, family funds, etc) took that risk on as a counter party. The amount of leverage and risk that these hidden positions pose a systematic risk to the global markets. Archegos and Credit Suisse are prime examples. They were over leveraged, as are many other institutions. Lehman will happen again. History will repeat.

So short selling. I'm fine with it. If you can take a long position, you should be able to take a short position. Yet current financial requirements allow "institutions" to forgo publicly marking their positions. If the SEC claims to be on retails side, then transparency must be upheld.

Sincerely,

Tony Wonsyld
Active Retail Investor