September 26, 2016

Brent J. Fields, Secretary,
Securities and Exchange Commission,
100 F Street, NE,
Washington, DC 20549-1090

Re: Proposed Rule: Disclosure of Order Handling Information

Ladies and Gentlemen:

State Street Global Advisors ("SSGA"), a division of State Street Bank and Trust Company, appreciates the opportunity to provide comments on the Securities and Exchange Commission's (the "SEC") proposed amendments to Rules 600 and 606 of Regulation NMS ("Proposed Amendment") that would require additional disclosures by broker-dealers to their customers regarding the routing of their orders.

SSGA has been a global leader in asset management for over 40 years, managing more than $2.44 trillion in assets from corporations, endowments and foundations, third-party asset gatherers, pension funds and sovereign wealth funds[1].

We strongly support the SEC's efforts to increase disclosure of market information. In particular we support the increased disclosure of institutional orders, both on an individual level for each institutional customer and on an aggregate level for all institutional customers. We would, however, ask that the SEC consider a revision to the Proposed Rule as discussed below. As proposed, certain disclosures are based on an order being an "institutional order," which is defined as "an order to buy or sell an NMS stock that is not for the account of a broker or dealer and is an order for a quantity of an NMS stock having a market value of at least $200,000." This section of the Proposed Rule notes that "(f)or purposes of such report, the handling of an institutional order includes the handling of all smaller orders derived from the institutional order," thereby clarifying that an institutional order may include smaller, constituent orders that by themselves may not satisfy the definition of an institutional order and therefore not be subject to the enhanced disclosure.

We think this clarification is important as large orders are often worked into the market in increments to avoid market effect, etc. In the Proposed Rule release, the SEC asked several questions regarding the definition of an institutional order, specifically (i) "(d)o commenters believe that dollar value is the proper criterion for defining an institutional order?"; and (ii) "(d)o commenters have alternative definitions for an institutional order, or modifications to the proposed definition?" In response, we think a further edit is needed to the definition of institutional order in order to capture similar small transactions that may fall outside the scope of the rule. Therefore, we are proposing that the definition of "institutional order" be amended to include any order attributed to an entity that is defined as a "large trader" under existing SEC regulations. The advantage of this approach is that smaller orders of retail investors (i.e. those under $200,000) will be legitimately excluded from the Proposed Rule, while smaller orders of institutional customers that are designated as large traders under Section 13H of the Excgange Act will be captured and thereby provide those large traders with critical order routing information necessary to permit such large traders to make better informed decisions regarding routing of client orders going forward. Further use of the large trader status will dovetail with the SEC's use of large trader identification numbers as a data field under the SEC's consolidated audit trail rule and contribute synergies to the SEC's overall enhancement of market transparency.

[1] As of June 30, 2016

In describing the currently available disclosed market data, the SEC recognized that "institutional customers have observed that there is a lack of corresponding information for larger orders" relative to smaller, retail orders. This disclosure could, for example, assist a fiduciary asset manager in performing best execution or transaction cost analysis. However, an institutional asset manager could have many one-off orders that are well below the suggested dollar threshold. Excluding these smaller orders would prevent fiduciaries from having full data when performing best execution, transaction cost or other analysis. Amending the definition of institutional order as we have suggested will allow fiduciary asset managers to better service their clients.

SSGA appreciates this opportunity to provide comments to the SEC on this important initiative and would be pleased to make representatives available to the SEC to further discuss any of the comments provided herein.

STATE STREET GLOBAL ADVISORS

By: ______________________

Name:

Title:

NATHANIEL N. EVARTS