

Brussels, 23 March 2022

Ms. Vanessa A. Countryman, Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Dear Ladies and Gentlemen:

Re: EFAMA Swing Pricing Clarification in response to the U.S. Securities and Exchange Commission's Proposed Rules Regarding Money Market Funds (SEC File No. S7-22-21)

This letter is respectfully submitted by the European Fund and Asset Management Association ("EFAMA") in response to the rules regarding money market funds ("MMFs") proposed by the Securities and Exchange Commission (SEC)¹ on 15 December 2021 and published in the Federal Register on 8 February 2022 (the "Proposal") and is intended to clarify for the SEC's record that money market funds in Europe do not, and have not, utilized swing pricing.

On page 7269 of the Proposal, in referencing the operational opposition to the application of swing pricing to MMFs, the SEC notes that "[s]ome commenters asserted that swing pricing works better in Europe due to fundamental differences between fund operations in the U.S. and Europe (i.e., earlier trading cut-off times, greater use of currency-based orders versus share- or percentage-based transactions, and more direct-sold funds)." It should be clarified that commenters referenced are not referring to EU MMFs.

Additionally, on page 7303 of the Proposal, in the SEC's discussion on the use of swing pricing in other jurisdiction, footnote 355 refers to the operation of swing pricing in other jurisdiction but does not clarify which jurisdictions it is referring to. We are not commenting on any other jurisdiction that the SEC may be referring to, however would like to confirm again that in Europe, MMFs do not and have not utilized swing pricing. We recognize, however, that such liquidity management tool is available for non-MMF vehicles domiciled in Europe and has been used successfully, for instance, in high-yield fixed income funds.

We appreciate this opportunity to clarify for the record that swing pricing has not been applied to EU MMFs, as it is important that global policy makers not make policy determinations based on incorrect or misleading data.

For further details, please contact Federico Cupelli, Deputy Director for Regulatory Policy [REDACTED].

I thank you for your consideration and remain at your disposal.

Yours sincerely,



Tanguy van de Werve
Director General

¹ 87 Fed. Reg. 7248 (8 February 2022).