Subject: File No. S7-24-15

From: Mao

March 18, 2020

To: U.S. Securities and Exchange Commission
Re: Use of Derivatives …. Leverage/Inverse Investment Vehicles

I have been trading leveraged and inverse ETF's since 2009, mostly 2x. My first purchase was DDM at 18.38 on March 3, 2009 when the Dow Jones was 6726 (has since split 3:1 twice would be 165.42 now).. Ever since I have been off to the races having made profits year over year up through today (despite the Coronavirus I am still quite confident as I have 9 more months to go). I have only traded DDM, SSO and QLD since that time. I personally never got into the habit trading the inverse as I felt they were much trickier to keep track of when I was working. Since inception it is obvious that the market always goes up and always will, despite of what is happening in the recent weeks.

I am not being vain but I have never lost money trading the above-mentioned ETF's over any given year. I have caught almost every bottom since inception. More recently, I bought on Dec 24, 2018 and sold flat on July 2, 2019; despite getting out early I was up well over 45% in my IRA's for 2019. Since that date I have been flat until NOW: Feb 24, 2020 (see below).

I am well aware of the so-called "slip" relative to their market equivalents (DIA, SPY, and QQQ). But, I play these leveraged ETF's independently to the "equivalents counterparts" using them **only** as reference points. I am well aware of the so-called "slip" (see below for real life example). However, I would rather be aware of the "slip" than to be subject to 12-b fees and consultant fees which are a hidden reality beyond my control.

Why do I buy them? Obvious! I can buy twice the shares for half the money. I am now retired and do not want to risk my whole funds. I rarely trade over 50% of the value of my account. If I were to trade the DIA, QQQ or SPY to make the same profit I would have to risk my whole portfolio and yet only make half the amount of money. You can check my accounts. I have records of every trade I have ever made since 2009.

I read the comment of another "investor" stating he/she was still holding onto his/her inverse position since 2011 and is still losing, but maybe not for long. Ha! Ha! Seriously, these platforms are not meant to be long term investments especially due to the "slip". Here is an example:

On Dec. 24 2018: S/P = 2393 with "equiv" SSO= 85.31
On Mar. 16 2020: S/P= 2386 with "equiv" SSO= 77.96
The slip was almost 8 points. This is why it is difficult to make money holding these ETF's for a long time, in this case 2 years. If you had 1000 shares you would thus have lost about $8000.

Another "investor" stated he was not forewarned, but it is clearly stated in the the Proshares' risk disclosure form that these types of investments are indeed extremely risky.

Investors who buy leverage of any kind tend to watch their investments daily if not hourly. In fact most of my friends who have financial advisors practically never watch their stocks, etc. A lot of them still own mutual funds; during a "crash" you can't sell a mutual fund until the close of the day (could be >1000 points difference). These people unfortunately are really hurting now; by holding on they have not even had the chance to make any money for the last 4 years by staying in the market all that time; the market has no loyalty.

I am wondering why the SEC would pick on the trading of inverse and leveraged ETF's over computerized high frequency trading, futures, options. What I believe caused the market to crash on Feb 24th is a result mostly of all three of the above trading platforms (specifically margin calls) and to a much, much lesser extent to the inverse ETF's (just compare the volumes).

I was "flat" on Feb 24th and just started buying gradually though March 18th: SSO and QLD.

Finally, please read:
The risks of trading inverse and leveraged ETF's don't come close to the risks that my grandfather and grandmother took when they came to this land in 1880 for religious and financial freedom. In addition they had to overcome an unexpected racial discrimination (I am Chinese) in San Francisco. Chinese were basically slaves back then. You ask what this has to do with leveraged ETF's: EVERYTHING!

My grandfather faced **real life** risk:rewards, not just paper losses. Many Chinese lost their lives to seek a better life religiously and financially; they could not even own real estate. In 1943 they won their fight and finally were permitted to own their own house. My grandfather's real life reward: he was finally able to invest and to provide all 10 of his children with college educations (Stanford, Cal Tech, Pomona, UC Berkeley). My mother was the first Chinese woman to graduate with a B.A. from UC Berkeley in 1929 (Stock Market Crash); and he still had 5 more kids to go.

Just like my grandparents risked their **lives** for religious and financial freedom, I feel that you are trying to also deny me of **my** financial freedom and future income by throwing us (investors of leveraged ETF's) back to the 1890's? I am not overdramatizing, I seriously depend on these ETF's to support my retirement each year. I could not do this with "regular" ETF's without jeopardizing my whole balance. Sorry this comment is so long but this is my only chance to fight for my right to make a decent living for the remainder of my life.

Thank you for reading my comment (commentary). If you have any questions, please contact me.