



May 15, 2017

BY ELECTRONIC MAIL
(rule-comments@sec.gov)

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

Re: SR-BatsBZX-2016-30

Dear Mr. Fields:

C&C Trading LLC ("C&C Trading") respectfully submits this comment in support of the Bats BZX Exchange, Inc. ("BZX") proposed rule change to list and trade shares of the Winklevoss Bitcoin Trust (COIN ETF) as Commodity-Based Trust Shares under BZX Rule 14.11(e)(4).

C&C Trading is a broker-dealer that specializes in ETF market making. Our firm is a registered market maker on the major US exchanges in hundreds of ETF issues and also provides liquidity to many alternative trading systems and inter-dealer brokers. We believe our trading activity contributes to efficient and transparent markets which benefit investors and other end users of ETFs. In order to hedge our market making activity, C&C participates in global equity, futures, fixed income, currency and commodity markets. In addition, our firm regularly uses ETF creations and redemptions in connection with our market making activities. Our comments on the BZX proposal are as follows:

- **Confidence in the Creation/Redemption Mechanism of COIN**

Based on the information contained in the prospectus for the COIN ETF, C&C Trading is confident that, barring any disruption in the physical Bitcoin market, the ETF creation/redemption mechanism which the fund will employ will be robust, as it is similar to the typical mechanism in place for physical commodity and currency based ETFs. In order to create shares of the COIN ETF, bitcoin is deposited into the Trust's account at the Gemini Trust Company (the custodian), which triggers an issuance of ETF shares. Given the transparency of this process for the COIN ETF, the mechanism should allow ETF market makers to keep secondary market prices in line with the NAV.

- **Confidence in the Ability to Calculate NAV**

As described in the prospectus, the COIN ETF utilizes a straightforward method for calculating NAV, which provides investors and market participants an accurate snapshot of its value.



- **Trading ETFs with Volatile and Opaque Underlying Components**

Many ETFs are based on opaque and illiquid underlying instruments. For example, to hedge certain emerging market equity ETFs, market makers are required to transact in thinly traded currencies in undeveloped, illiquid marketplaces that are often subject to price controls and ownership restrictions. Similarly, emerging market fixed income ETFs involve trading bonds which typically have wide bid/ask spreads and where trades take place by appointment. Relative to these underlying components, the market for bitcoin is transparent and liquid, making it easy to trade. A large percentage of bitcoin transactions take place on electronic exchanges with actionable quotes and relatively tight bid/ask spreads. Transferring actual bitcoin between accounts at exchanges and other storage systems is also a transparent process, as transactions are printed using blockchain technology.

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Based on the above, C&C Trading supports listing the COIN ETF and believes it will be an innovative product for investors and market professionals to trade.

C&C Trading thanks the Commission for the opportunity to comment on this proposed rule change. If you have any additional questions, or if we can be of further assistance in this matter, please do not hesitate to contact us.

Respectfully,
C&C Trading, LLC

A handwritten signature in black ink, appearing to read 'Mick Kalishman', is written over a light blue horizontal line.

By: Mick Kalishman