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May 12, 2006

Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: iShares[®] GSCI[®] Commodity-Indexed Trust; (File No. SR-NYSE-2006-17;
Release No. 34-53659)

Dear Ms. Morris:

In a letter to the Commission dated March 17, 2006 (“DB Letter”),¹ DB Commodity Services LLC provided comments regarding the proposal of the New York Stock Exchange LLC (“NYSE” or “Exchange”) to list and trade shares of the iShares GSCI Commodity-Indexed Trust (“Trust”) (File No. SR-NYSE-2006-17; Release No. 34-53659, April 17, 2006; 71 Fed. Reg. 21074, April 24, 2006).² The Exchange wishes to take this opportunity to respond to certain issues raised in the DB Letter.

Liquidity of CERF's Market

The DB Letter states the market for CERFs (futures on the GSCI Excess Return Index or “GSCI-ER”), which are traded on the Chicago Mercantile Exchange (“CME”) on GLOBEX, seem likely to remain illiquid and questions the utility of this instrument as the sole investment of the Trust and the Investing Pool (as described in the Trust prospectus and in SR-NYSE-2006-17).

¹ Letter from Kevin Rich, Director and Chief Executive Officer, DB Commodity Services LLC, to Nancy M. Morris, Secretary, SEC, dated March 17, 2006.

² DB Commodity Services LLC is the commodity pool operator and the commodity trading advisor for the DB Commodity Index Tracking Master Fund listed on the American Stock Exchange. See Release No. 34-53105, January 11, 2006, 71 Fed. Reg. 129, January 19, 2006, SR-Amex-2005-059.

CME announced on July 26, 2005 that trading in futures on the GSCI-ER was upcoming, and then commenced trading in GLOBEX effective March 12, 2006 for trade date March 13, 2006. The Exchange understands that there has been no CERFs trading volume to date. It is reasonable to predict, however, that there will be reported CERFs volume once creation activity begins in the Trust Shares when trading on the Exchange commences, in so far as CERFs constitute the creation/redemption instrument used by the Trust. However, the Trust Registration Statement³ does not state, and the Exchange does not understand, that Trust creation/redemption activity is to be the exclusive use for CERFs; other futures market participants may well find CERFs, like futures on the GSCI traded on CME, to be useful investment and hedging vehicles.

The GSCI-ER, like the GSCI and the GSCI Total Return Index (“GSCI-TR” or “Index”), was established in 1991 and is a familiar, well-accepted index among futures professionals. The Exchange believes that it is premature to predict the liquidity of CERFs at this time, and it is inappropriate to suggest, as the DB Letter does, that GSCI-ER futures lack a *bona fides*, which should be demonstrated before Trust Shares begin trading. CERFs trading is governed by CME rules under Commodity Futures Trading Commission oversight. Trading in Trust Shares is governed by NYSE rules, under Securities and Exchange Commission oversight. Both markets have surveillance procedures in place applicable to trading in CERFs and Trust Shares, respectively, and, as Intermarket Surveillance Group participants, can access relevant trading information from each other’s market.

In this regard, the Exchange notes that the Trust Registration Statement states a number of risk factors relating to the Trust, trading of Trust Shares, and the commodities markets, including the risk that “there can be no assurance as to the size or liquidity of any market for CERFs that may develop”, and that an illiquid CERFs market “may adversely affect the price of CERFs, the Trust’s ability to track the Index and the Trust’s ability to issue or redeem Shares.” (Registration Statement, “Risk Factors Relating to CERFs and the GSCI-ER”, p. 12.)

We note further that Exchange members recommending transactions in Trust Shares are required to exercise due diligence to determine the essential facts relative to the customer pursuant to NYSE Rule 405, and should have a reasonable basis for believing, at the time of making the recommendation, that the customer has sufficient knowledge and experience in financial matters, that he or she may reasonably be expected to be capable of evaluating the risks and any special characteristics of the recommended transaction, and is financially able to bear the risks of such transaction.

Tracking the Index

³ Barclays Global Investors International, Inc. (“Sponsor”), on behalf of the Trust, filed the Form S-1 (the “Registration Statement”) on July 22, 2005, as amended. See Registration No. 333-126810.

The Registration Statement states that “it is the objective of the Trust that the performance of the Shares will correspond generally to the performance of the GSCI Total Return Index, or the Index, before payment of the Trust’s and the Investing Pool’s expenses and liabilities. The Index is intended to reflect the performance of a diversified group of commodities.” The DB Letter questions whether the net asset value or the market value of Trust Shares will correspond generally to the Index over time. (DB Letter, p. 3.)

According to the Registration Statement, the value of CERFs should generally track the GSCI-ER, and, while CERFs prices and the level of the GSCI-ER will not always be precisely correlated, arbitrage by market participants is expected to limit any divergence. (Registration Statement—“Risk Factors Relating to CERFs and the GSCI-ER”, p.12). Similarly, the Trust Sponsor has represented to the Exchange its view, based on discussions with a number of market participants, including broker-dealers that are anticipated to participate in the markets for CERFs and Trust Shares, that the Trust net asset value and the market value of Trust Shares can be expected to correspond to the GSCI Total Return Index. The Sponsor represents that arbitrage opportunities among the markets for CERFs, Trust Shares, GSCI futures, commodity futures underlying the Index, and swaps should limit trading of Trust Shares at a significant discount or premium to net asset value or to the level of the Index. In addition, the Sponsor has represented that it expects the arbitrage mechanism (e.g., a market participant buying swaps and futures if they are trading at a discount to CERFs, and *vice versa*) to keep Trust Shares prices in line with CERFs prices, and CERFs prices in line with the Index value. The Exchange notes, further, that the Trust will operate in a manner similar to exchange traded funds and other Trusts based on commodities or a foreign currency that are currently traded (e.g., streetTRACKS[®] Gold Trust, Euro Currency Trust) in that the Trust provides for creation and redemption of Trust Shares at net asset value each Business Day in Baskets of 50,000 Shares by Authorized Participants.⁴

As discussed in the Registration Statement, the Investing Pool (iShares GSCI Commodity-Indexed Investing Pool LLC) will be required to deposit margin in the form of cash or Short-Term Securities with a value equal to 100% of the value of each CERF

⁴ The Exchange notes, as described in SR-NYSE-2006-17, that information regarding the Trust and the Shares will be made available to investors on the Trust website (www.ishares.com), including the following information: (a) the prior Business Day’s net asset value (“NAV”) and the reported closing price; (b) the mid-point of the bid-ask price in relation to the NAV as of the time the NAV is calculated (the Bid-Ask Price”); (c) calculation of the premium or discount of such price against such NAV; (d) data in chart form displaying the frequency distribution of discounts and premiums of the Bid-Ask Price against the NAV, within appropriate ranges for each of the four previous calendar quarters; (e) the prospectus; (f) the holdings of the Trust, including CERFs, cash and Treasury securities; (g) the Basket Amount, and (h) other applicable quantitative information. The value of the GSCI, GSCI-TR and GSCI-ER, updated every 15 seconds during Exchange trading hours, will be available from major market data vendors. In addition, the Exchange will disseminate an updated Indicative Value on a per Share basis at least every 15 seconds on the consolidated tape during Exchange trading hours.

position at the time it is established. According to the Registration Statement, the Investing Pool's profit or loss on its CERF positions should correlate with increases and decreases in the value of the GSCI-ER, although this correlation will not be exact. The interest on the collateral deposited by the Investing Pool as margin, together with the returns corresponding to the performance of the GSCI-ER, is expected to result in a total return for the Investing Pool that corresponds generally, but is not identical, to the Index.⁵ The Trust's net asset value will reflect the performance of the Investing Pool. (Registration Statement – p. 4.)

The value of and returns on the Shares are expected to reflect the value of and returns on the Trust's underlying investments, through the Investing Pool, in CERFs and the cash or Short-Term Securities used to collateralize the CERF positions. As disclosed in the Registration Statement, there is the risk that the return on the Trust Shares will not precisely correlate with the Index or the GSCI-ER over particular periods or over the long term, and that such difference could cause the Shares to outperform or underperform the Index. ⁶ (Registration Statement – p. 5)

Valuation of CERFs

As stated in the Registration Statement (“Valuation of CERFs; Computation of Trust's Net Asset Value”, p. 41), the Trust Manager will value the Investing Pool's long position in CERFs on the basis of that day's announced CME settlement price for the CERFs. If there is no such announced price on a Business Day, the Trust Manager will use the most recently announced CMS settlement price “unless the Manager determines that that price is inappropriate as a basis for evaluation.” The DB Letter questions this alternative evaluation procedure and the criteria by which it would be applied.

The Sponsor has informed the Exchange that such alternate evaluation procedures would be applied only in extraordinary circumstances where the Trustee determines that the CME settlement price cannot appropriately be used as the basis for Trust evaluation. This provision is intended to provide the Trustee with flexibility to apply an alternative “fair valuation” when, in exercising its duties as Trustee, it believes the normal evaluation procedure to be inappropriate. Examples of such extraordinary circumstances could be when commodities representing a substantial weighting of the GSCI are experiencing extreme volatility in the spot market and/or where trading in some or all of the futures contracts in the underlying GSCI commodities has been suspended, or when operational issues are causing dissemination of inaccurate market information. The

^{5.} The Registration Statement at page 39 states that any cash that the Investing Pool accepts as consideration from the Trust for Investing Pool Interests will be used to purchase additional CERFs, in an amount that the Advisor determines will enable the Investing Pool to achieve investment results that correspond with the Index, and to collateralize the CERFs.

^{6.} The Registration Statement at page 16 states that the returns on the Shares will not precisely correlate with the performance of the Index due to differences between the return on the assets

Sponsor has represented that this is consistent with procedures followed for other ETF products, with the manager or sponsor having the ability to apply a "fair valuation" if the valuation does not accurately reflect current market value.

We disagree with the DB Letter that the futures markets in the commodities comprising the GSCI are irrelevant to the Trust Shares' investor. While the Trust will invest in CERFs and not the individual futures contracts in the Index, the GSCI-ER and the Index will be affected by movements in the futures included in the GSCI and should correlate with such movements. With respect to the DB Letter's statement regarding the relevance of the value of Index commodities on the Indicative Value of Shares, as noted in Release No. 34-53659 for SR-NYSE-2006-17 (note 25 and accompanying text), the Exchange has clarified that the Indicative Value "will be calculated based on the cash and collateral in the Basket Amount divided by 50,000, adjusted to reflect the market value of the investments held by the Investing Pool, i.e., CERFs." It will not be adjusted to reflect the value of Index commodities.

The Exchange urges the Commission to promptly approve SR-NYSE-2006-17 in order to foster competition in commodity-based trust products and to permit market participants to demonstrate the potential usefulness of Trust Shares and CERFs in the marketplace.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Yeager", with a long horizontal flourish extending to the right.

Mary Yeager
Assistant Secretary

cc: Florence Harmon, Division of Market Regulation