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Chair Mary Jo White
Chair, Securities & Exchange Commission
100 F Street, NE
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Chair White:

With more than 20 years trading ETFs, and as the Senior Managing Director for one of the largest ETF market making firms, Cantor Fitzgerald, I have witnessed the benefits of financial product innovation to investors and our industry. In fact, it is that very innovation which serves as the bedrock for the continued success of our industry. Product structures that fail to keep pace with developments in the markets will ultimately limit investors and provide substandard outcomes. That is why the creation of Exchange Traded Funds (ETFs) in the early '90s and their rapid investor adoption over the past 14 years has been a seminal event.

Since 1924, the U.S. mutual fund industry, with more than \$10 trillion in assets, has been forced to utilize a structure that has remained virtually unchanged. It has always puzzled me that the industry, constrained by high infrastructure costs, a single entry and exit point, and limited pricing information, has never adopted the more beneficial ETF vehicle.

As the leader of a team comprised of 25 experienced trading and sales specialists, focused solely on Exchange traded Funds and related investment products listed in North and South America, and Europe. I was greatly encouraged, to see the solution advanced by Precidian Investments in their filing. I was further encouraged by the adoption of Precidian's structure in filings by Capital Research and Management, Blackrock, SSgA, Invesco PowerShares, and Cohen & Steers. Finally, a solution that provides all the benefits of an ETF with the investor protections of a mutual fund is ready for introduction to the market.

Investors will be able to avail themselves of the alpha-generating capabilities of professional managers and potentially greater returns, while enjoying greater access and information than a mutual fund can provide. The competitive nature of exchange-listed products is one that has undoubtedly benefited individual investors. Value and performance are clearly available throughout the day on regulated exchanges. Additionally, simplified choice through the elimination of multiple share classes, unlimited entry and exit points during the trading day without having to sacrifice the safety net of transacting with the fund at NAV, make this solution a highly suitable option for investors.

Money managers, too, will enjoy a number of significant improvements that will benefit all participants: lower infrastructure costs, greater efficiency and the associated flexibility to make portfolio changes, and the ability to maintain portfolio confidentiality while avoiding professional front running. These will only improve investor returns.

For more than 2 years, I have been involved in the evaluation of Precidian's Application and our ability to make efficient markets in ETFs that propose to provide holdings on a quarterly basis but, at the same time, provide full pricing transparency. After significant analysis, it is my professional opinion, that given a clearly defined investment objective within a known universe of securities, efficient markets can and will be made in ETFs utilizing Precidian's Blind Trust Structure. These views have been shared with the New York Stock Exchange as part of their 19b-4 Rule Filing and again to staff members of Trading & Markets, Investment Management, & others during a meeting on December 4, 2013.

Given Market Maker's ability to make efficient markets in in Precidian's Blind Trust Structure, all of the benefits that this proposal provides to investors and money managers, and the simplicity of this structure, which removes the necessity of new order types and significant modifications to industry technology platforms, I strongly encourage the SEC to approve NYSE Arca filing and the associated exemptive relief and registration statements.

Sincerely,



Reginald M. Browne
Senior Managing Director – ETF Group
Cantor Fitzgerald & Co