



Douglas M. Yones, ChFC
Head of Exchange Traded Products

New York Stock Exchange
11 Wall Street
New York, NY 10005
[REDACTED]

July 5, 2016

Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F. Street N.E.
Washington, D.C. 205549-0609

Re: Proposal to List and Trade Shares of Precidian ETFs Trust (SR-NYSEArca-2016-08)

Dear Mr. Fields:

NYSE Arca, Inc. (NYSE Arca) appreciates the opportunity to comment on its proposal to list and trade shares of the Precidian ETFs Trust.¹ NYSE Arca has a long history of supporting the innovation of new exchange traded products (ETPs), and takes seriously its responsibilities as a listing venue and self-regulatory organization for the development, application, and oversight of listing standards for ETPs. NYSE Arca is proud to support the innovation in the ETP issuer community that has resulted in more than \$2 trillion of ETP assets under management for the ETP in the United States.

NYSE Arca is the premier listing and trading venue for ETPs in the US, representing the largest single pool of liquidity for ETPs, with over two times more liquidity than the next largest exchange. With over 1,500 total listings, NYSE Arca represents approximately 92% of ETP assets under management. NYSE Arca represents the largest single pool of liquidity for ETPs, with over two times more liquidity than the next largest exchange. Our strategy remains consistent – to provide issuers and market professionals with the most compelling and innovative market place for launching and trading ETPs.

NYSE Arca believes Precidian Funds LLC's ("Precidian") non-transparent "ActiveShares" model is an innovative product structure for the asset management industry. The ActiveShares structure would provide actively managed fund portfolios the ability to offer investors access to an alternative vehicle to the traditional mutual fund. Specifically, the ActiveShares structure would make many of the features of the ETP structure available to traditional active fund managers, including a lower total cost of ownership structure, the ability for investors to enter and exit their investment intraday without waiting for a closing fund NAV, a democratized distribution platform, and reduced fund transaction costs.

The ActiveShares structure would also result in broad cost savings to investors in the form of lower management fees, tax efficiency, and ease of distribution. The availability of ActiveShares for trading on exchanges would also provide investors with broad based access to ActiveShares through traditional brokerage platforms, adding ease and convenience to the list of benefits to the end investor.

¹ Securities Exchange Act of 1934 ("Exchange Act") Release No. 77117 (Feb. 11, 2016), 81 FR 8269 (Feb. 18, 2016) (notice of SR-NYSEArca-2016-08); Exchange Act Release No. 77405 (Mar. 18, 2016), 81 FR 15774 (Mar. 24, 2016) (notice of designation of longer period for Commission action SR-NYSEArca-2016-08); Exchange Act Release No. 77845 (May 17, 2016), 81 FR 32376 (May 23, 2016) (order instituting proceedings to determine whether to approve or disapprove SR-NYSEArca-2016-08).

Precidian's calculation, distribution and monitoring of a Verified Intraday Indicative Value every second of the trading day would allow market makers, liquidity providers, and retail investors with real time portfolio values. As a result, market participants would have direct data regarding portfolio values in order to provide liquidity at efficient market prices. With real time access to fund NAV, investors will have immediate knowledge of a market price deviation from fund NAV, thus allowing for immediate arbitrage of any price dislocation.

As the leading Exchange in the ETP industry, the NYSE Arca will continue to promote and support innovative financial products that serve the needs of investors. We will continue to partner with Precidian in support of its efforts to demonstrate to the Securities and Exchange Commission the effectiveness of the ActiveShares structure.

Sincerely,

A handwritten signature in black ink that reads "Douglas M. Yones". The signature is written in a cursive style with a large, stylized 'D' and 'Y'.

Douglas M. Yones
Head of Exchange Traded Products
New York Stock Exchange