

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-56828; File No. SR-Phlx-2007-87)

November 20, 2007

Self-Regulatory Organizations; Philadelphia Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to the Trading Sessions for Selected ETFs

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on November 19, 2007, the Philadelphia Stock Exchange, Inc. (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been substantially prepared by Phlx. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder,⁴ which renders it effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Phlx proposes to update the list in Phlx Rule 101 of securities eligible to trade in one or more, but not all three, of the Exchange’s trading sessions. The securities to be added are: (1) iShares® MSCI Canada Index Fund; (2) iShares® MSCI EAFE Index Fund; (3) iShares® MSCI EAFE Value Index Fund; (4) iShares® MSCI Emerging Markets Index Fund; (5) iShares® MSCI S&P Europe 350 Index Fund; (6) SPDR® DJ Global Titans ETF; and (7)

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

Vanguard Emerging Markets ETF.⁵ The text of the proposed rule change is available at Phlx's principal office, the Commission's Public Reference Room, and <http://www.phlx.com>.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Phlx included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to accommodate the trading of various securities that may not trade during all three trading sessions on XLE. Phlx Rule 101 provides that XLE shall have three trading sessions each day: a Pre Market Session (8:00 a.m. Eastern Time ("ET") to 9:30 a.m. ET), a Core Session (9:30 a.m. ET to 4:00 p.m. or 4:15 p.m. ET), and a Post Market Session (end of Core Session to 6:00 p.m. ET). Phlx Rule 101 includes a list of those securities that are eligible to trade in one or more, but not all three, of XLE's trading sessions. The Exchange maintains on its Web site (www.phlx.com) a

⁵ Recently, NYSEArca, Inc. ("NYSEArca") filed and received approval for a proposed rule change to expand the trading hours of the securities of certain exchange-traded funds ("ETFs") traded on the NYSE Arca Marketplace to include all three trading sessions. See Securities Exchange Act Release No. 56627 (October 5, 2007), 72 FR 58145 (October 12, 2007) (SR-NYSEArca-2007-75). Phlx is not proposing to adopt these changes at this time. Prior to this, NYSEArca restricted the trading of certain ETFs, including those referred to in this proposed rule change, to one or two, but not all three, of its trading sessions. In this proposed rule change, Phlx is proposing to adopt the same restricted sessions that NYSEArca had for the named ETFs prior to the approval of SR-NYSEArca-2007-75.

list that identifies all securities traded on XLE that do not trade for the duration of each of the three sessions specified in Phlx Rule 101. The Exchange proposes to add the following securities to this list: (1) iShares® MSCI Canada Index Fund; (2) iShares® MSCI EAFE Index Fund; (3) iShares® MSCI EAFE Value Index Fund; (4) iShares® MSCI Emerging Markets Index Fund; (5) iShares® MSCI S&P Europe 350 Index Fund; (6) SPDR® DJ Global Titans ETF; and (7) Vanguard Emerging Markets ETF. These securities are traded on the Exchange pursuant to unlisted trading privileges and are Index Fund Shares, described in Phlx Rule 803(l).

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act⁶ in general, and furthers the objectives of Section 6(b)(5) of the Act⁷ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were either solicited or received.

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (1) significantly affect the protection of investors or the public interest; (2) impose any significant burden on competition; and (3) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, it has become effective pursuant to Section 19(b)(3)(A) of the Act⁸ and Rule 19b-4(f)(6) thereunder.⁹

Phlx has requested that the Commission waive the 30-day operative delay and designate the proposed rule change to become operative immediately. The Commission believes that granting this request is consistent with the protection of investors and the public interest because the Exchange is merely clarifying which ETFs do not trade in all three of its trading sessions when such trading hours have been established pursuant to other proposed rule changes. Therefore, the Commission designates the proposed rule change as operative upon filing.¹⁰

At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in the furtherance of the purposes of the Act.

⁸ 15 U.S.C. 78s(b)(3)(A).

⁹ 17 CFR 240.19b-4(f)(6). In addition, Phlx has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date on which the Exchange filed the proposed rule change. See 17 CFR 240.19b-4(f)(6)(iii).

¹⁰ For the purposes only of waiving the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);
or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-Phlx-2007-87 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-Phlx-2007-87. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection

and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Phlx-2007-87 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Florence E. Harmon
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).