

TREASURY NEWS



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JOINT STATEMENT BY TREASURY SECRETARY ROBERT E. RUBIN, FEDERAL RESERVE BOARD CHAIRMAN ALAN GREENSPAN AND SECURITIES AND EXCHANGE COMMISSION CHAIRMAN ARTHUR LEVITT

On May 7, the Commodity Futures Trading Commission ("CFTC") issued a concept release on over-the-counter derivatives. We have grave concerns about this action and its possible consequences. The OTC derivatives market is a large and important global market. We seriously question the scope of the CFTC's jurisdiction in this area, and we are very concerned about reports that the CFTC's action may increase the legal uncertainty concerning certain types of OTC derivatives.

The concept release raises important public policy issues that should be dealt with by the entire regulatory community working with Congress, and we are prepared to pursue, as appropriate, legislation that would provide greater certainty concerning the legal status of OTC derivatives.

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