

United States Senate

WASHINGTON, DC 20510

October 21, 2019

The Honorable Jay Clayton
Chairman
Securities & Exchange Commission
100 F Street, NE
Washington, D.C. 20549

The Honorable Heath Tarbert
Chairman
Commodity Futures Trading Commission
Three Lafayette Centre, 1155 21st Street, NW
Washington, D.C. 20581

The Honorable William Barr
Attorney General
Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530

The Honorable Christopher Wray
Director
Federal Bureau of Investigation
935 Pennsylvania Avenue, NW
Washington, D.C. 20535

Dear Chairman Clayton, Chairman Tarbert, Attorney General Barr, and Director Wray:

We write regarding disturbing reports of suspicious trading in our futures and equities markets and urge you to investigate immediately whether any rules, laws, or regulations were violated. If any wrongdoing is uncovered, we demand that you swiftly hold violators accountable to the fullest extent possible.

With so many investors and entrepreneurs choosing to access our financial markets, they have become one of our nation's greatest competitive advantages. Our financial markets, while far from perfect, are more stable and offer greater investor protections than many foreign markets. As such, we must do everything to protect this comparative advantage.

This is why reports of certain traders earning potential massive payoffs of more than \$1 billion per trade ahead of actions taken by the Trump Administration, foreign nations, or other entities are so troubling. They suggest that some may have an unfair trading advantage because of privileged access to nonpublic market-moving information potentially from government sources and, as a result, raise concerning questions about the integrity of our financial markets and our public institutions.

Indeed, as a recent article in *Vanity Fair* states:

...the precision and timing of these trades, and the vast amount of money being made as a result of them, make the traders wonder if all this is on the level. Are the people behind these trades incredibly lucky, or do they have access to information that other people don't have about, say, Trump's or Beijing's latest thinking on the trade war or any other of a number of ways that Trump is able to move the markets through his tweeting or slips of the tongue? Essentially, do they have inside information?

We expect you to answer these and other pressing questions and use all of your authorities to protect our financial markets. In so doing, you must demonstrate concretely that no individuals,

including government officials, are above the law, and that those who choose to rig or cheat the system will be held fully accountable.

We thank you for your consideration, and we expect periodic updates on the progress of your investigation into this matter.

Sincerely,

Jack Reed

Shirley Brown

Debbie Stabenow

Robert Menendez

Dianne Feinstein

Ben Ray Lujan

Jerry Berman

Ken Wyman

Kirsten Gillibrand

Catherine Cortez Masto

Al Franken

Shirley

Amy Kolubian

Edward J. Markey