

Via email to rule-comments@sec.gov

November 16, 2007

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-9303

Re: Concept Release on Allowing U.S. Issuers to Prepare Financial Statements in Accordance with International Financial Reporting Standards (File Number S7-20-07).

Dear Ms. Morris:

NYSE Euronext is pleased to take this opportunity to comment on the proposal made by the Securities and Exchange Commission (the “SEC”) in the above-referenced release. We welcome the SEC’s proposal to permit U.S. issuers to file financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (“IASB”). NYSE Euronext has previously expressed support for the SEC’s proposal to permit foreign private issuers to file IFRS financial statements without a US GAAP reconciliation. We believe that implementation of these two related proposals would represent significant progress in the process toward transparent, world-class global accounting standards. NYSE Euronext believes that the ultimate goal should be the adoption of a unitary set of accounting standards on a worldwide basis, with US GAAP and IFRS ceasing to exist as independent alternative standards.

NYSE Euronext has long been a strong proponent of convergence between US GAAP and IFRS. While the convergence process is ongoing and much remains to be achieved, IFRS is already recognized worldwide as a robust set of accounting standards that provides investors with an appropriate quality of financial disclosure. As such, we see no reason to delay the decision to permit companies (whether domestic or foreign) to file IFRS financial statements with the SEC. As the SEC notes in its release, this accommodation could prove valuable to domestic issuers operating in industry sectors where their competitors are predominantly foreign companies that report under IFRS. In such cases, investors would benefit from having a clearer basis of comparison of the financial results of all the companies in the sector. In addition, some of the NYSE’s domestic listed companies are also listed in foreign markets that require IFRS reporting. These companies could avoid the costs and duplication of effort entailed in generating both US GAAP and IFRS financial statements. Furthermore, many US



companies have subsidiaries overseas that report under IFRS. In some cases, those companies may choose to switch to IFRS reporting at the parent company level, as a means of rationalizing their internal accounting processes and reducing costs.

NYSE Euronext believes that IFRS as developed by the IASB is a transparent and comprehensible accounting standard that effectively provides investors and analysts with the necessary level of information. As such, while we support continued efforts to achieve convergence between IFRS and US GAAP, we believe that the continued existence of differences between IFRS and US GAAP should not prevent the SEC from permitting IFRS reporting by either domestic issuers or foreign private issuers at this time. However, it is crucial that the related proposals to allow domestic issuers to utilize IFRS and foreign private issuers to utilize IFRS without a US GAAP reconciliation should not slow down progress toward the overall goals of accounting and auditing standards convergence. In addition, the SEC should engage in dialogue with securities regulators in foreign jurisdictions that have not yet adopted IFRS to encourage them to do so as soon as is feasible.

We do not expect a large number of US companies to adopt IFRS reporting in the near term, but we do believe that there are some listed companies for whom the ability to report under IFRS would be a significant benefit. US participation in the continued development of IFRS can only further improve an already high-quality set of standards and expedite progress toward the ultimate goal of a single set of internationally recognized accounting standards.

Thank you for your consideration of these comments. Please contact John Carey, Office of the General Counsel, at 212 656 5640 if you have questions or if we can provide further information.

Sincerely,

Mary Yeager
Assistant Secretary