

Title: Joseph Wang (former NY-FED repo trader) Confirms there is No Doubt the FED Would Bailout DTCC/OCC/NSCC/FICC/___CC if Required

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Created 2022-01-12 22:42:25 UTC

Permalink: /r/DDintoGME/comments/s2j6s9/joseph_wang_former_nyfed_repo_trader_confirms/

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****tl;dr: former FED insider confirms FED would absolutely bailout the DTCC. This is important as the DTCC guarantees settlement [read: payment] for the equities, options, etc. for GME and means the DTCC, via the FED, effectively cannot run out of tendies.****

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Within the past week I had the opportunity to talk to Joseph Wang (former FED trader - <https://fedguy.com/>) in person.

Dude's very approachable, down-to-earth, and relatable. For those who don't know him, he was the actual trader in charge of executing the FEDs (or more specifically the NY's FED) reverse repo trading operations.

He's since left the FED, runs a blog (see link above), and provides an invaluable window into the inner workings of the FED.

That said, he stated in no uncertain terms the FED would 100% backstop DTCC (and by extension the daughter companies of DTCC such as the OCC, the Options Clearing Corp) much the same way any government would never permit a single regulator to fail...****the implication being the DTCC is viewed as a defacto utility by the FED and would be defended/bailed out without hesitation.****

The takeaway for apes is should an "event" in GME result in market makers, primary dealers, investment banks, etc. failing to deliver [kek] on their promises, the DTCC or the appropriate sub-company (e.g. the OCC for options) would become the bag-holder to guarantee delivery.

Should the DTCC itself fail - *or more likely look like it's about to fail* - you'd see the FED stepping up to guarantee its obligations. This is good news for apes as it means the FED itself would guarantee settlement [read: payment] by backstopping DTCC & co.