

From: EJC <ejcook33@comcast.net>
Sent: Tuesday, September 14, 2010 1:12 PM
To: PosLimits <PosLimits@CFTC.gov>
Subject: precious metal limits

Dear Chairman Gensler and Fellow Commissioners,

I understand the new Financial Regulatory Reform law mandates that the Commission institute hard position limits in the derivatives trading of all commodities of finite supply; energies, metals and agricultural products and you are seeking input to help guide you in determining the proper levels of speculative position limits in these commodities. Right now such levels are not consistent, economically sound, fair, or readily understood by all market participants. The granting of exemptions to any limits for bona fide hedging purposes must also be used with caution and not favor mega banks.

I would urge the Commission to adopt a hard position limit in the contract equivalent amount of no more than one percent of the world annual production of any commodity of finite supply. No single speculative trading entity could control on a net basis, long or short, a total derivatives position greater than one percent of the annual world production of any commodity. There is far too much abuse of these limits at the present time that allow large "speculators" to overly influence smaller markets and prices.

I understand the Commission recently received almost 3000 public comments on position limits in metals, with more than 90% of the comments asking the Commission to enact a position limit of 1500 contracts in COMEX silver. I agree with these proposals and urge you to act accordingly