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December 16, 1999

Ms. Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: CBOT Proposed Amendments to the Rough Rice Futures Contract Modifying the Differential for Mill vs non-Mill sites

Dear Madam Secretary:

As originally set forth in Jim Sutter's letter dated August 24, 1999, I would like to reiterate the support of Cargill, Incorporated in regards to the Chicago Board of Trade's (CBOT) proposed modifications to the Rough Rice Contract.

Specifically, we are in support of the following four changes.

1. Removing the discount for non-mill site warehouses.

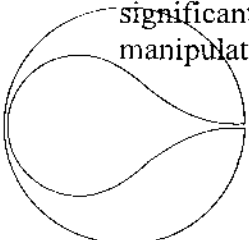
Cargill Inc. is in support of this change. The market has evolved to a point where this change is logical and will increase the deliverable supplies. For the last year, 90% of the total warehouse receipts outstanding have been mill sites. It appears that the current non-mill site discount is discouraging delivery from these sites. This change should therefore increase the deliverable supplies by including those facilities in the normal mix.

2. Loadout rate for warehouses.

Although not part of the CBOT's proposal we believe that a change should be made to the required loadout rate. Recent changes to other CBOT commodities have made a facility's total delivery capacity dependent upon their daily loadout rate. We suggest that this also be done on the CBOT rice contract limiting a facility's delivery potential to 30 days of that particular facility's loadout capacity. It would also be helpful if some provision could be added to facilitate barge loadings.

3. Rice quality specifications.

Current quality specifications mirror USDA #2 rice specifications which are different than what both the domestic and export markets trade. Almost 100% of the normal commercial business done today is basis the specification "no Stain". This inconsistency between the CBOT contract specifications and normal commercial trade practices significantly limit the market's usefulness to hedgers and can increase the potential for manipulation.



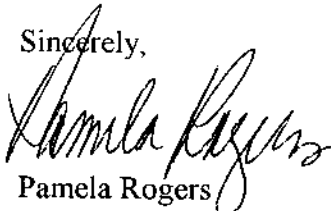
We strongly suggest that the CBOT adopt the same specifications on their futures contracts as are normally traded in the cash markets. We do not favor trying to find a middle ground between the current specifications and what the cash market trades. The situation needs to be corrected rather than simply made less bad.

4. Expanded Delivery Area

As much of the rice moves into export channels using barge freight, we believe that river facilities should be added as delivery points. A thorough review of this issue needs to be conducted to see if there are opportunities to add additional delivery capacity which would be relevant for the market, and which would not distort the historical pricing system of the market. We recommend the delivery area be enlarged to include facilities outside of the traditional Arkansas area for the purpose of including some river loading facilities.

Again, we appreciate the opportunity to comment on the CBOT's rough rice futures contract and changes proposed by CBOT and ourselves. We encourage the CFTC to approve the changes agreed on while urging the CBOT to study some of the other issues and proposals we have put forth.

Sincerely,



Pamela Rogers
Futures Manager

Mad

Copy to Scott Minton
ED & F MAN INTL INC