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February 4, 2000

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

RE: CME Speculative Position Limits

Dear Ms. Webb:

We are aware that CME has proposed to increase the spec limits in the spot month of the Live Cattle futures contracts. We are very much in opposition to this proposal. Furthermore, we believe that it would benefit the cattle feeding industry, and thus the CME, to restore the spot month spec limit to 300 positions.

AzTx Cattle Co. is the nations tenth largest cattle feeder, however, we deliver very few cattle against CME contracts due to the onerous restrictions. The CME has not been responsive to the cattle feeding industry's needs. In particular I am speaking of the need for heifer delivery and adjustments to weight limits for live deliveries. In addition, the determination as to live vs. carcass delivery is solely at the election of the long (spec).

The proposal to increase the spec limit only further compounds possible market manipulation due to the lack of deliverable supply in comparison to spec limits.

In conclusion, we are strongly opposed to the increased spec limits and request that this proposal be terminated.

Sincerely,

Barry Josserand
Vice President