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February 10, 2000

COMMENT

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

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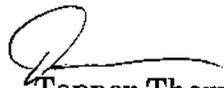
Dear Jean:

Cattle-Fax would like to comment on the proposed amendments to the Exchange's live-cattle futures and options contracts.

Based on our evaluation and on the comments we have received from members who are major users of the contract, we question increasing the speculative limits in the spot contract. While there is general agreement that increasing the limits on deferred contracts is probably not a problem, there are questions about the impact on convergence from expanding limits on the spot contract.

It may be more important to modify some of the current delivery specifications. The inequity in weight specifications for delivery cattle on a live basis vs. a carcass basis restricts the number of cattle that can be delivered in certain instances. Further, the fact that heifers cannot be delivered also restricts the pool of deliverable cattle. Modification of these specifications may do more to strengthen the contract and assure convergence.

Sincerely,


Topper Thorpe
Executive Vice President

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