

00-19
38

COMMENT

June 15, 2000

Ms. Jean A. Webb, Secretary

Commodity Futures Trading Commission
Three Lafayette Center
21st Street, NW
Washington, DC 20581

RECEIVED
C.F.T.C.

'00 JUN 19 PM 12 39

OFFICE OF THE SECRETARIAT

RE: Proposed amendments to the CBOT's maximum daily price fluctuation limits.

Dear Ms. Webb:

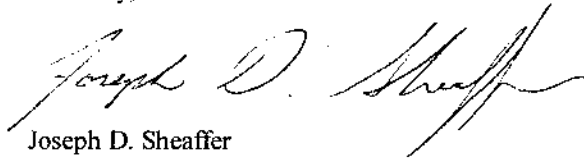
As a corn, soybean, and wheat producer, I would like to comment on the proposed increase in the maximum daily price fluctuation limits.

I am opposed to increasing the daily price fluctuation limits. If I understand the proposal correctly, an increase of 50% in the limits is proposed in place of deleting the expanded limits that are presently used. This potential volatility could result in significant margin calls for me as I hedge my yearly crop. Also, this will probably increase the cost of using futures and options in my risk management plan for the same reason. As the Government tries to remove itself from the agriculture commodities market, it seems to me there needs to be some reasonable limit to daily price movement.

I believe that the current limits are working and are accepted by most producers. Changing the limits to huge levels so as to conform to the requirements of the Eurex makes the markets more difficult and less useful to producers in their hedging strategies. Changing the computer system Eurex uses so the markets would work properly with its present limits seems to make more sense. I would encourage the Chicago Board of Trade to delay consolidation with the Eurex until present daily price limits can be incorporated into the trading program.

Thank you for the opportunity to comment on the proposed change. Presently, I am very busy in the fields, but I feel that taking time to write a letter on this issue is very important to me and all commodity producers.

Sincerely,



Joseph D. Sheaffer
5023 Cannon Drive
Harpster, OH 43323

RECEIVED
C.F.T.C.

'00 JUN 19 PM 1 50

RECEIVED C.F.T.C.
RECORDS SECTION