

COMMENT

00-19  
107



# Stark County Farm Bureau



P.O. Box 610  
Toulon, Illinois 61483  
(309) 286-7481

RECEIVED  
C.F.T.C.  
'00 JUN 26 AM 9 01

RECEIVED C.F.T.C.  
RECORDS SECTION

June 15, 2000

RECEIVED  
C.F.T.C.  
'00 JUN 23 PM 12 29  
OFFICE OF THE SECRETARY

Jean A. Webb, Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
21<sup>st</sup> St. NW  
Washington, D.C. 20581

Dear Ms. Webb:

On behalf of the Stark County Farm Bureau, which represents almost 1000 rural residents, we offer this testimony against the Chicago Board of Trade's proposal to increase the daily price limits of the major agricultural commodities. The negative potential of this proposal is of great concern to our membership.

Although we understand the CBOT does need to adapt to current technologies by joining the Eurex exchange, it should not do so at the risk of the agricultural markets. By delaying the launch of the Eurex Alliance until the computer programs can be updated to accommodate our current market system, the producers and agribusinesses that rely on the CBOT as a risk management tool would not be put in jeopardy.

The expense the CBOT is concerned about incurring due to the update and delay pales in comparison to the financial loss our communities will face if this is allowed. By increasing the daily price limits, our producers would be exposed to tremendous financial risks, which could result in an inability to utilize the CBOT as a risk management tool or even bankruptcy in the same cases. In addition, our local elevators would also face challenges in conducting business as usual. The impact of this could be an inability to compete with larger facilities, leading to closure of our local elevators, a lost market to our producers, and less businesses to support our communities.

While we realize that these projections may sound exaggerated to the CBOT, our agricultural perspective considers the proposal a serious threat to an already struggling industry. We ask that you take our concerns under consideration as you review the CBOT's request, and determine that adapting the programming language before launching the Eurex exchange is the best solution. Thank you for your time

Sincerely,

Ron Musselman, President  
Stark County Farm Bureau

cc: Senator Peter Fitzgerald  
Congressman Tom Ewing  
Senator Richard Lugar