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American Cotton Shippers Association
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April 12, 2001

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

COMMENT

Re: Proposed Amendments
NYCE No. 2 Futures Contract

Dear Secretary Webb:

The American Cotton Shippers Association (ACSA) supports the proposed amendments to the New York Cotton Exchange (NYCE) No. 2 Contract and recommends their approval by the Commodity Futures Trading Commission (CFTC).

INTEREST OF ACSA

ACSA was founded in 1924 and is composed of primary buyers, mill service agents, merchants, shippers, and exporters of raw cotton who are members of four federated associations located in sixteen states throughout the cotton belt:

- Atlantic Cotton Association (AL, FL, GA, NC, SC, & VA)
- Southern Cotton Association (AR, LA, MS, MO, & TN)
- Texas Cotton Association (OK & TX)
- Western Cotton Shippers Association (AZ, CA, & NM)

ACSA's member firms handle over 80% of the U.S. cotton sold in domestic and export markets. In 2000- 2001, domestic mills will consume some 9.5 million bales and 7 million bales will be shipped to foreign mills. Because of their involvement in the purchase, sale, and hedging of cotton, ACSA members are directly impacted by any rules or contract changes or actions taken by the CFTC. The futures and options markets are a necessary and vital adjunct to our business operations; therefore, our interest is manifest in the proposed amendments to the NYCE No. 2 Contract submitted to the Commission for review and approval.

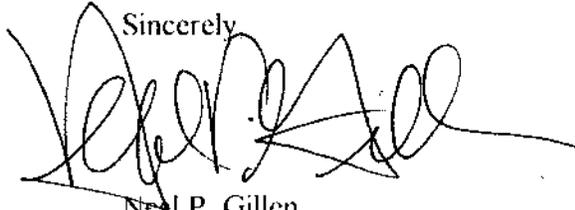
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Proposed Amendments

As stated in the Federal Register Notice (Vol.66 No.54, pp. 15700-01) of March 20, 2001, the proposed amendments to the micronaire requirements are necessary "to improve the contract by discounting less desirable, high micronaire cotton in delivery;" the raising of the strength requirements from a minimum 22 grams per tex to 25 "is to improve the contract by eliminating certain low-strength cotton from delivery;" and the added discount for old crop cotton "will improve the contract by adding to the cost of delivering older cotton." Further, the proposed amendments reflect the discounts that these cottons receive in the cash market.

The cotton industry considered the proposed amendments over an extended period of time and a full opportunity was provided to all segments of the industry to review, discuss, and amend the various proposals submitted to the NYCE for its consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Neal P. Gillen', written over a horizontal line.

Neal P. Gillen,
Executive Vice President &
General Counsel