



Scott E. Dewald
Executive Vice President

COMMENT

P.O. Box 82395
Oklahoma City, OK 73148
405/235-4391 or
235-3607
FAX 405/235-3608

November 14, 2002

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

**Received CFTC
Records Section**

11/20/2002

*02-13
80*

RE: Chicago Mercantile Exchange (CME): Proposed Amendments to the Spot Month Speculative Position Limits for the Live Cattle Futures Contract

Secretary Webb:

Thank you for providing us with the opportunity to comment on the proposed amendment to the spot month speculative position limits for the Live Cattle Futures Contract. The CME proposal currently before the CFTC would reduce speculative limits to the pre 1997 level of 300 contracts during the delivery month.

The Board of Directors of the Oklahoma Cattlemen's Association met in its regularly scheduled Fall Board Meeting and our members discussed this particular issue in some detail. Our Board of Directors unanimously approved a Policy Statement in support of the CMB's request. Further, our members agreed to support the National Cattlemen's Beef Association policy statement and correspondence to you on this particular issue.

Our Board also supports accelerating the time frame under which heavier weight cattle (i.e. 1350 pounds) would be eligible for delivery. While we are concerned with the industry trend to raise heavier and heavier cattle, we believe this is more a reflection of cost of gain and other economic issues, rather than delivery weights. The reality is that when we are producing heavier cattle we need to be able to make delivery of these cattle. Therefore we believe it would be prudent to raise the weights to more actually reflect the industry.

Lastly, while not directly related to contract size or weight limits, we do want to take this opportunity to request that the CME and the CFTC discuss the opportunity to accept heifer deliveries. Our Board believes that the heifer issue is extremely important to our members and would provide them with a much needed risk management tool. We would be very interested in discussing all of the issues further.

Please feel free to contact us at (405) 235-4391 should you have any questions. Thank you for your consideration of our Board adopted policies.

Sincerely,

Scott Dewald
Executive Vice-President

Get This Sign UP
Keep Theft Losses DOWN!

