



U.S. COMMODITY FUTURES TRADING COMMISSION  
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C.F.T.C.

03-15  
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2004 FEB 17 PM 3: 36

February 17, 2004

**DIVISION OF  
MARKET OVERSIGHT**

Mr. John Labuszewski  
Director, Research & Product Development  
Chicago Mercantile Exchange  
30 South Wacker Drive  
Chicago, Illinois 60606-7499

RECORDS SECTION

2004 FEB 17 PM 4: 49

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Re: Request for Commission Approval of Proposed Amendments to the Chicago Mercantile Exchange's Live Cattle and Feeder Cattle Futures Contracts Increasing the Maximum Daily Price Fluctuation Limits. (CME Submission #03-101)

Dear Mr. Labuszewski:

The Chicago Mercantile Exchange (CME or Exchange) has requested Commission approval of amendments to its live cattle and feeder cattle futures contracts pursuant to the provisions of Section 5c(c)(2)(B) of the Commodity Exchange Act, as amended. The proposal was submitted in a letter dated November 24, 2003 and received by the Commission on that day. The CME subsequently filed with the Commission a supplemental submission dated December 11, 2003 in which the Exchange requested that the Commission publish the proposed amendments in the Federal Register and agreed to extend the Commission's 45-day review period for the amendments to January 23, 2004. On January 22, 2004, the CME filed an additional supplemental submission in which the Exchange agreed to extend the Commission's 45-day review period to February 13, 2004.

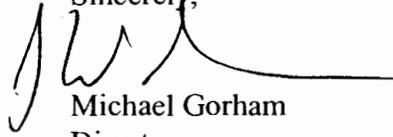
The proposed amendments would increase to 3 cents per pound the maximum daily price fluctuation limits of the live cattle and feeder cattle futures contracts. The proposed amendments would also eliminate the existing provisions for expanded maximum daily price fluctuation limits.

The Exchange intends to make the amendments effective following Commission approval, upon notification of market participants, with respect to all existing and newly listed contract months.

The Division has reviewed the materials submitted by the Exchange and has determined that the proposed amendment meets the requirements of the Commodity Exchange Act and the Commission's rules and regulations there under, including Guideline No. 1. The proposed amendments appear to comply with the requirements of Commission Regulation 40.5 regarding

voluntary submission of rule changes for Commission review and approval. Accordingly, the proposed amendments and implementation plan were deemed approved at the close of business on February 13, 2004.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Gorham', with a long horizontal flourish extending to the right.

Michael Gorham  
Director  
Division of Market Oversight