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From: Eric Sprott [esprott@sprott.com]
Sent: Tuesday, July 18, 2006 4:44 PM
To: secretary
Subject: Possible Elimination of the Commitment of Traders Report

Received CFTC
Records Section
7/19/06

July 20, 2006

Eileen Donovan, Acting Secretary
Commodity Trading Futures Commission
Three Lafayette Center
1155 21st Street, NW
Washington, DC 20581

Dear Ms Donovan:

Re: Possible Elimination of the Commitment of Traders Report

In response to your request for comments about the Commitment of Traders Report, we have elected to write you to express our concern that the CFTC is considering discontinuing the report. Sprott Asset Management has approximately C\$3.7 billion under management with 60-70% of which invested in commodities or commodity related equities.

We understand that the report may need modification but we would hope that any such modifications are for the purpose of providing more transparency, not less. Also, we would ask that the report be continued without disruption, in it's current form until such a time that the new improved report be ready for distribution.

Furthermore, as investors in commodities with long-term objectives, we would hope that any future modifications to the report by the commission are made with consideration to maintaining continuity with historical data.

We would also like to voice our support of increased disclosure in the report to separate hedge funds that acts through an intermediary swap dealer into it's own speculative hedging category. We feel it is important that market participants are able to separate "bona fide hedgers" from speculative hedge funds in order to assist in determining the hedge funds influence on a given commodity market.

In conclusion, we urge you to continue publishing the reports. We feel it is a valuable tool for investors the world over, and as such, helps to ensure that our market system operates with efficiency.

Regards,
Eric Sprott
CEO, Chief Investment Officer
Sprott Asset Management
Disclaimer:

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