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August 13, 1999

OFFICE OF THE SECRETARY

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

COMMENT

Re: CBT Proposal for Rough Rice

Dear Ms. Webb,

The proposed elimination of the 15-cent price differential for Rough Rice at non mill site elevators will not impact the value of Rough Rice nor effect the supply available for delivery.

The price of Rough Rice in the delivery area, at elevation point and farm tends to be closely equal through out the crop year. In fact, the price in the large geographic area that borders the delivery points tends to have like value. Buyers of Rough Rice consider the price to be homogenous through a very wide geographic area, inclusive of Arkansas, Louisiana, Missouri, and Mississippi. The current differential penalizes the market on a discount that simply does not exist.

Any impact on supply of Rough Rice would be negligible and in fact could be positive to delivery volume. Elimination of an unjust market discount would increase the incentive for out lying delivery point to deliver given a wide basis to the farm price.

The commission should adopt the CBT proposal.

Regards,


Scott Minton
Rice Trader

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