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From: Filip Meijer (filipmeijer@hotmail.com) Ph: 646 662 4611

To: CFTC, Office of the Secretariat: Sudik, Gabrielle A.

Re: "Proposed Rules for Trading Off the Centralized Market

Date: 11/03/2008

COMMENT

To Whom It May Concern:

The greatest reasons for trading in a Centralized Market are to provide all market participants a fair and transparent market. This means that all participants will have to obey by the best bid and the best offer in any commodity whether it is options or futures. Block trading, however, only involves two market participants. Since a block trade can occur outside of the Centralized Market, one of the participants may be taken advantage of since he may not know that there could be a better bid or offer in the Centralized Market. This situation has occurred, and that makes block trading unfair and non-transparent. The major problem with block trading, and especially small size block, is that block trading encourages trading **without** the use of price discovery. Price discovery exists in the centralized market place and that is what makes the market fair and transparent.

On the other hand, I understand that some trades are of such magnitude that the Centralized Marketplace may not be able to execute a size trade at one price. Only in a situation described above should a block trade occur. A block trade between two participants will only be fair to all market participants when the size of the trade is too large for the Centralized Market.

The question is then:

How to determine the minimum size of a block trade in order to make it a fair trade?

After considering several options of averages and percentages of open interest and daily volumes etc, I cannot come up with one applicable standard. The only fair possibility as I see it is to form a committee for each commodity with representatives from all aspects of the market (floor traders, producers, end users, and other traders such as commodity funds.) It is impossible to decide on one block trade size for all markets as the markets vary greatly in size, open interest, and daily volume.

What I do know is that the block trade sizes that are in place on the ICE exchange where Coffee, Cocoa, Sugar, Cotton, and OJ are traded are too small. Traders on the floor together with off

the floor traders and customers could each easily take on the block trade limits that are in place today. In today's world with Instant Messaging between brokers and customers, the agriculture products on the ICE are extremely efficient and transparent markets. Since block trading was introduced, it has only made the markets more illiquid and non-competitive than they were before.

Given recent events in the financial sector, I believe we should do everything possible to make markets extremely efficient and transparent. Small quantities of block trading have the complete opposite effect. Block trading should only constitute a miniscule fraction of the total volume traded. If that is not possible, then due to liquidity, transparency, and non-competitiveness block trading in the small agricultural markets should be abandoned completely.

I have been a commodity trader for eight years and I am a great proponent of a free and competitive market place. I am available for comment or discussion at FilipMeijer@hotmail.com or at phone number 646 662 4611.

Thank You,

Filip Meijer