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I would appreciate it if you would ask the following question to the Ag. Forum participants especially the CFTC and the CME group.
If the question is not asked at the Ag. Forum, I would like the question answered anyway and the question and answer put in the record of this hearing.
In the official answer to the question, I would like my comments made below to be addressed. (see the section below the question).

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1. Is the Chicago Wheat contract suppose to converge with the cash prices?
Yes or No.

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I assume the answer is yes, as the contract is the primary way for consumers and producers to hedge their price risks.

As the contract is not converging (see attached basis chart) whose responsibility is it to see that the contract 'forces' convergence, and who's liability is it if the contract does not converge or worsens from recent levels?

I assume the initial responsibility is with the CBOT / CME group, however at what point will the CFTC step in to require convergence as the current contract is not serving the needs of producers or consumers in their price hedging actions.

I would hope that the primary goal of the Ag. Forum conference on April 22 is to insist that the Chicago Wheat contract does converge and that a deadline is set to reach that convergence.

The CBOT has already changed the delivery contract specs (effective with the July 2008 contracts) in a weak attempt to improve convergence.

If this fails to remedy the lack of convergence, will the CFTC step in to fix this problem?

Do the CBOT / CME have a financial responsibility to be certain that convergence does take place?

Does the CFTC not have a responsibility to be certain that convergence takes place and implement remedy's to fix that weakness?

best regards, Paul

3/3/2008	-40	h	-10	h
2/1/2008	-40	h	-12	h
1/2/2008	-40	h	-17	h
12/3/2007	-20	z	-8	z
11/1/2007	-40	z	-10	z
10/1/2007	-70	z	-52	z
9/4/2007	-55	u	-8	u
8/1/2007	-50	u	-22	u
7/2/2007	-50	u	-65	n
6/1/2007	-40	n	-55	n
5/1/2007	-50	n	-52	k
4/2/2007	-55	k	-55	k
3/1/2007	-43	h	-45	h
2/1/2007	-43	h	-45	h
1/3/2007	-40	h	-45	h
12/1/2006	-50	h	-60	h
11/1/2006	-45	z	-45	z
10/2/2006	-55	z	-70	z
8/29/2006	-60	u	-90	u
8/1/2006	-55	u	-90	u
7/3/2006	-40	n	-62	n
6/1/2006	-55	n	-62	n
5/1/2006	-20	k	-40	k
4/3/2006	-25	k	-36	k

