

From: Jim Fowler <jmfdfl@gmail.com>
Sent: Wednesday, March 2, 2011 12:08 AM
To: PosLimits <PosLimits@CFTC.gov>
Subject: Position Limits on Silver

Dear Chairman Gensler and fellow Commissioners:

I urge you to approve the staff's proposal on position limits, including limiting exceptions to bona fide hedgers. However please institute a 1500 contract (7.5 million ounce) position limit for silver as proposed by Ted Butler. I was able to see some of the TV hearings on the issue of position limits in COMEX silver. Most of the speakers seemed to echo the idea of "price discovery" as the most important function of the markets.

How can a market have realistic "price discovery" if an entity (due to financial resources) is able to corner the market with a very large concentrated short position? Unless your staff can legitimize why 5,000 contracts under the control of one entity is in the best interest in the market... then I would argue that a smaller contract position of 1500 contracts is the most reasonable answer. Why set up one of these "too big to fail" position limits. Concentrated power or concentrated financial interest usually ends in abuse at some level. Let's keep the playing field fair!

Respectfully submitted,

Jim Fowler