

**From:** Jim Lauck <jimlauck@comcast.net>  
**Sent:** Wednesday, September 15, 2010 9:54 AM  
**To:** PosLimits <PosLimits@CFTC.gov>  
**Subject:** Commodity Market Manipulation

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Good Morning Folks:

I understand that the Commodity Futures Trading Commission is seeking input from interested parties for guidance in setting the proper level for position limits in all commodities of finite supply. No doubt competing solutions have been and are being pressed on you at this time. I would like to offer my thoughts on this very important issue.

The blatant manipulation of the silver markets, especially from March 2008 to the present, highlight that there is near total control of price by monolithic and monopolistic forces. This example is as bad as any in US history. If we no longer have fair and freely functioning markets, let us simply stop the ruse and publicly state that the silver market, and to lesser extents the other precious metal markets, are under the total domination of a handful of giant banking houses. I hope this will not be the explicit or implicit outcome from your Commission.

I urge you to adopt the recommendations of Ted Butler, Butler Research LLC. Specifically, I am referring to Butler's One Percent Solution:

"I propose that the Commission adopt a hard position limit in the contract equivalent amount of no more than one percent of the world annual production of any commodity of finite supply. This 1% speculative position limit would apply to all related derivatives on an aggregate (across all markets) and on an all-months-combined basis. No single speculative trading entity could control on a net basis, long or short, a total derivatives position greater than one percent of the annual world production of any commodity. Such a limit would be large enough to accommodate all but a handful of traders in every market. Importantly, such a level, evenly enforced, would make concentration and manipulation impossible. This is the primary mission of the Commission."

Sincerely,

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