

COMMENT

February 17, 2000

Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Center
21st Street NW
Washington, DC 20581

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RE: RIN 3038-ZA04 CME Proposed Amendments to the Live Cattle Contract

Dear Ms. Webb:

Caprock Industries, cattle feeding division of Cargill, Inc, is *opposed* to the expansion of the spot month Live Cattle speculative trading limits. The supply of deliverable cattle is already too thin to force convergence. Expanding limits will only exacerbate the problem. It is our opinion the CFTC should encourage the CME to make necessary changes to the contract to improve this situation:

1. Investigate expanding the deliverable supply by allowing heifers.
2. Request live delivery specifications be brought more in line with packer delivery specifications.

We encourage the Commodity Futures Trading Commission to decline this contract change. If we can be of any service, please don't hesitate to give us a call.

Sincerely,



Alan Smith
Vice President & Trading Mgr.

Cc: Zay Gilbreath

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