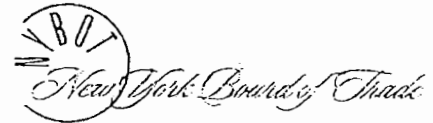


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C. Harry Falk
President & CEO

May 27, 2004

Ms. Jean A. Webb
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, NW
Washington, DC 20581

RE: CBOT Amended Petition for Amendment
of CFTC Regulation 150.2

Dear Ms. Webb:

The Board of Trade of the City of New York, Inc. ("NYBOT") submits this letter of comments in response to the above-referenced Petition filed by the CBOT on April 27, 2004 (the "Petition"). The Petition requests that all federally mandated position limits be eliminated from Commission Regulations and that Regulation 150.2 be repealed. Alternatively, if the Commission does not repeal Regulation 150.2, the Petition requests that the Commission exercise its authority to establish position limits only in the spot month and amend Regulation 150.2 to eliminate all single-month and all-months combined limits. NYBOT fully supports the CBOT Petition.

The Core Principles established under the Commodity Futures Modernization Act of 2000 place the responsibility on exchanges to establish any appropriate position limits on their contracts. NYBOT has established position limit and position accountability rules, where applicable, to the contracts listed on its subsidiary exchanges, pursuant to Regulation 150.5. Many of those contracts involve agricultural products. There appears to be no compelling reason to have the Commission set speculative position limits for a narrow segment of agricultural products, while directing the exchanges to set limits for all other agricultural products. Indeed, as noted by the CBOT, this distinction seems to be more the result of historical development rather than market regulatory considerations. Accordingly, we agree that the time has come for the exchanges to have sole responsibility for establishing speculative position limits, subject to Commission oversight.¹

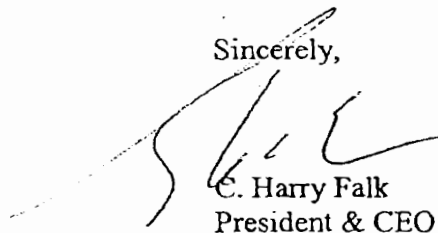
¹ In determining whether to set position limits, NYBOT would expect to be able to adopt position accountability rules consistent with Regulation 150.5 and the position accountability rules already applicable to its other agricultural products.

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In the event that the Commission determines to retain federally mandated spot month limits, it should remove the single-month and all-months combined limits from Regulation 150.2. The Commission has recognized in the context of Core Principle 5 of Section 5(d) of the Act, that limits applicable to months other than the spot month may not be necessary to minimize the threat of market manipulation, congestion, or distortion. Accordingly, if the Commission determines to continue imposing its own spot month limits, it should defer to the exchanges with respect to setting any necessary limits in other months and amend Regulation 150.2 to eliminate the single-month and all-months combined limits.

If you have any questions regarding this letter, please contact Audrey R. Hirschfeld, General Counsel, at (212) 748-4083.

Sincerely,



E. Harry Falk
President & CEO

Cc: David Van Wagner
Fred Linse