Jeff McPike
President, McWheat Trading Inc
(independent small trader, consultant, and former cash grain trader)

The CME/CBOT and other futures exchanges set margin/performance bond requirements at different levels for various groups - hedgers, local/member traders, and speculators; has the CME/CBOT Group, other exchanges, and/or the CFTC considered setting a much higher margin level (say 100%) for index accounts, due to the nature of their involvement (buy and hold) in the futures pits? If not, considering the fact that these index products remove liquidity from the futures markets and skew the basic functions of the futures contracts - price discovery and risk management - why not?

Thank you.