

secretary

From: NoReply@cftc.gov
Sent: Wednesday, May 18, 2011 11:57 AM
To: secretary
Subject: CFTC Public Comment on IF 10-016

A comment has been submitted on IF 10-016

Submitter Name: Mr.Blake Hurst

Submitter Email:

Submitter Organization:Missouri Farm Bureau

Submitter Job Title:President

Submitter Address:P.O. Box 658

Submitter Address 2:

Submitter City:Jefferson City

Submitter State:MO

Submitter Zip:65102

Submitter comment: MISSOURI FARM BUREAU FEDERATION P.O. Box 658, 701 South Country Club Drive, Jefferson City, MO 65102 / (573) 893-1400 May 11, 2011 Mr. David Stawick Office of the Secretariat Commodity Futures Trading Commission Three Lafayette Centre 1155 21st Street, N.W. Washington, D.C. 20581 Re: CBOT Submission No. 11-161 Proposal to Amend CBOT Rule 10102.D. to Increase Daily Price Limits in Corn Futures and Options Dear Mr. Stawick, The Missouri Farm Bureau is the largest general farm organization in Missouri representing more than 111,000 members. We are submitting the following comments on behalf of our members who are affected by the operations of the corn and other grain futures markets. Farmers across Missouri do not support the CME Group proposal to substantially raise daily price limits on corn futures contracts. Of utmost concern is the potential for increased negative financial burdens on farmers and elevators in their ability to meet daily and inter-day margin requirements to maintain the required liquidity in trading accounts. This was the case with the volatile markets of 2008 at the current trading limits. Increasing the daily limits only compounds this problem. Most farmers believe their risk management options will once again be limited (as in 2008) as they lose the ability to directly hedge their price risk, and as elevators offer less favorable forward contracting terms due to the higher cost of financing the futures market positions that backstop these contracts. We believe the corn futures markets are operating in an orderly fashion with the current daily limits and price discovery is not being hampered. There is no emergency to implement any daily price increase as is being espoused. Therefore, we would encourage the Commodity Futures Trading Commission not to expedite the normal approval process for this proposed rule change. Thank you for the opportunity to provide comments on this matter of great importance. Sincerely, Blake Hurst President Submitter IP Address: 65.01.001.00