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December 6, 2004

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

RE: Section 5c(c)1 and Regulation 40.4(b)(8) Submission. Non-Material Agricultural Rule Change. Exchange Certification of Amendments to Live Cattle Futures Rule 10103.A. CME Submission #04-120.

Dear Ms. Webb:

Effective January 3, 2005, USDA will no longer publish separate boxed beef cutout values for 600/750 pound and 750/900 pound beef carcasses. Instead, these "light" and "heavy" categories will be combined into a single 600/900 pound category for each quality grade.

As a result of this change in reporting procedures, at its Regular Meeting on Thursday, December 2, 2004, the Board of Directors of Chicago Mercantile Exchange Inc. ("CME" or "Exchange") approved the following amendments to Rule 10103.A., with deletions bracketed and overstruck:

10103.A. Sources and Calculation of Adjustment Factors

Quality grade adjustments for all delivery units will make use of the live weight equivalent of the Choice-Select boxed beef spread calculated from information reported by USDA (in \$/cwt.) for the day of tender in the National Daily Boxed Beef Cutout and Boxed Beef Cuts report. This is referred to hereafter as the Live Equivalent Choice-Select Spread (LECSS) and is computed by subtracting the "Select Boxed Beef Cut-Out Value" from the "Choice Boxed Beef Cut-Out Value" and multiplying that result by 0.0063. [~~Boxed Beef Cut-Out Values from the 600/750 pound category are used for live-graded delivery units with an average live weight less than 1,190 pounds and for carcass-~~

~~graded delivery units with an average carcass weight less than 750 pounds. Boxed Beef Cut-Out Values from the 750/900 pound category are used for live-graded delivery units with an average live weight greater than or equal to 1,190 pounds and for carcass-graded delivery units with an average carcass weight greater than or equal to 750 pounds.]~~

These amendments will apply to all deliveries on the CME Live Cattle Contract beginning January 3, 2005.

The Exchange certifies that this action neither violates nor is inconsistent with any portion of the Commodity Exchange Act or of the rules thereunder.

If you have any questions regarding this submission, please contact Mr. Paul Peterson at (312) 930-4587 or via e-mail at ppeterso@cme.com . Please refer to CME Submission #04-120 in all correspondence regarding this matter.

Sincerely,



John W. Labuszewski, Director
Research & Product Development