

COMMENT

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**Received CFTC
Records Section**

11/12/02

November 7, 2002

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


Reference: 67 FR 66130 CME Proposed Amendments to Spot Month Speculative Position Limits for the Live Cattle Futures Contract

Dear Ms. Webb,

I am writing concerning the recent request by the Chicago Mercantile Exchange to modify the speculative limits of the Live Cattle contract. The intention of the Exchange is to decrease speculative limits in the spot month to 300 contracts, applying this change to existing contracts. We are expressly against changing rules on contracts with existing open interest.

As you may know, the Exchange has delayed listing the December 2003 live cattle contract because it believes the contract needs specification changes. The Exchange had the foresight to delay listing the contract until the changes could be discussed by the industry and codified before the contract was traded. Unfortunately the Exchange has abdicated from this same good judgment concerning changes to speculative limits. They have requested the change to take effect with the December 2002 contract. The existing contracts had over 100,000 contracts open interest at the time. ConAgra strongly disagrees with that decision. Absent the presence of a market emergency, changing the rules in midstream is bad policy. To the best of our knowledge, a market emergency currently does not exist. We therefore urge the CFTC to deny the Exchanges' request and allow the normal amendment process to go forward concerning specifications of the December 2003 contract.

Please feel free to call me at 402-595-7548 with any questions pertaining to our position.

Sincerely,


Edward F. Prosser
General Manager, Livestock Financial Trading