



COMMENT

November 12, 2002

**Received CFTC  
Records Section**

11/20/2002

02-13  
(45)

Ms. Jean A Webb, Secretary  
Commodity Futures Trading Commission  
Three Lafayette Center, 21<sup>st</sup> Street, NW  
Washington, DC 20581

RE: CME Speculative Positions Limits

Dear Ms. Webb

We are aware that CME has proposed to decrease the speculative limits in Live Cattle Futures contract. We are very much in favor of this proposal. We believe that it would be beneficial to the cattle feeding industry to reduce the spot month speculative limit to 300 contracts.

AzTx Cattle Co. is the nations tenth largest cattle feeder, however we deliver very few cattle against the CME contracts. We believe that with the volatility and unpredictability in the basis of the spot month, the CME contract is becoming less of a price risk tool. We believe that to use the Live Cattle contracts as a risk management tool it should be more inline with today's feeding practices. Heifers should be deliverable, and weights should be re-examined.

In conclusion we applaud the CME for recognizing the need to reduce the speculative limits on Live Cattle contract, and would hope that some of the other issues would be considered and evaluated.

Sincerely

A handwritten signature in black ink, appearing to read "John Joserand", written over the word "Sincerely".

John Joserand  
President