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(31)

**Received CFTC  
Records Section**

07/12/2006

COMMENT

**secretary**

**From:** Chris Kniel [crkniel@comcast.net]  
**Sent:** Wednesday, July 12, 2006 9:51 AM  
**To:** secretary  
**Subject:** COT Reports

July 12, 2006

Eileen Donovan

Acting Secretary

Commodity Futures Trading Commission

Three Lafayette Center

1155 21st Street

NW.

Washington, DC 20581

[secretary@cftc.gov](mailto:secretary@cftc.gov)

**Re: COT Reports - Expansion of COT Silver Reports, ENFORCEMENT OF REGULATIONS TO PREVENT ONGOING MANIPULATION OF THE SILVER PRICE**

Dear Secretary:

According to your website, the CFTC is currently looking for comments regarding the silver COT Reports. It is also rumored that the CFTC is considering abolishing the Reports all together. You must of course realize that such an action in view of the current manipulation dominant in the Silver futures market would be viewed with enormous skepticism and the next step might be to abolish the CFTC all together. After all, if the CFTC solution to a serious manipulation is to stop reporting on the trading status and not enforce the rules and regulations they were created for, then why do we need them at all? I am a small silver investor. I am fed up with the rampant manipulation of the silver price that the CFTC

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allows. Your reports clearly indicate that a few, maybe even one, entity (ies) are controlling the silver market and suppressing the price. According to your own reports, the outstanding short position far exceeds the silver that is available for delivery. This imbalance is totally out of sync when compared with any other commodity. And you in the CFTC allow this condition to continue to exist? Just what is going on? Why do you ignore this obvious, in your face, manipulation? Why are you not doing your job and protecting the public from manipulation?

Seems to me the situation parallels that of New Orleans where the authorities ignored the hurricane warnings for years. Now, after the hurricanes struck, it remains a disaster and it is too late for New Orleans - there is no viable solution. It seems the default of the silver market caused by the CFTC not doing their job, not protecting the public, is around the corner. And you are considering eliminating the reports in total? Shameful. You should do just the opposite and provide more detail in a more timely fashion. Next you should institute procedures that ensure that the short sellers are in a position to provide the silver they are selling short. Stop all the paper charades. Was the CFTC not created to protect the public from fraud and manipulation?

Sincerely,

Chris Kniel

88 Bates Blvd.

Orinda, CA 94563

[crkniel@comcast.net](mailto:crkniel@comcast.net)

Reference website requesting comments follows:

[Federal Register: June 21, 2006 (Volume 71, Number 119)]

[Notices]

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From the Federal Register Online via GPO Access [[wais.access.gpo.gov](http://wais.access.gpo.gov)]

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COMMODITY FUTURES TRADING COMMISSION

Comprehensive Review of the Commitments of Traders Reporting  
Program

AGENCY: Commodity Futures Trading Commission.

ACTION: Request for comments.

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SUMMARY: The Commitments of Traders ("COT") reports are weekly reports, published by the Commodity Futures Trading Commission ("CFTC" or "Commission"), showing aggregate trader positions in certain futures and options markets. Over time, both the trading activity that is the subject of the COT reports, and the reports themselves, have continued to change and evolve. As part of its ongoing efforts both to maintain an information system that reflects changing

market conditions, and to provide the public with useful information regarding futures and options markets, the Commission is undertaking a comprehensive review of the COT reporting program. This release is intended to: (1) Provide useful background information regarding the COT reports; (2) lay out various issues and questions regarding the COT reports; and (3) solicit public comment regarding the reports, including suggestions as to possible changes in the COT reporting system.

**DATES:** Responses must be received by August 21, 2006.

**ADDRESSES:** Written responses should be sent to Eileen Donovan, Acting Secretary, Commodity Futures Trading Commission, Three Lafayette Center, 1155 21st Street, NW., Washington, DC 20581. Responses may also be submitted via e-mail at [secretary@cftc.gov](mailto:secretary@cftc.gov). "COT reports" must be in the subject field of responses submitted via e-mail, and clearly indicated in written submissions. This document is also available for comment at <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Donald H Heitman, Senior Special Counsel, Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Center, 1155 21st Street, NW., Washington, DC 20581. Telephone: 202-418-5041. E-mail: [dheitman@cftc.gov](mailto:dheitman@cftc.gov).

## SUPPLEMENTARY INFORMATION:

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## I. Background

## A. The COT Reports

The COT reports provide a breakdown of each Tuesday's open interest \1\ for all futures and option markets in which 20 or more traders hold positions equal to or above the reporting levels \2\ established by the CFTC. The weekly reports for Futures-Only Commitments of Traders and for Futures-and-Options-Combined Commitments of Traders are released every Friday at 3:30 p.m. Eastern time. Reports are available in both a short and long format. The short report shows open interest separately by reportable and nonreportable \3\ positions. For reportable positions, additional data are provided for commercial and non-commercial holdings.