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**American
Cotton
Shippers
Association**

06-03
1029

August 30, 2006

Eileen Donovan, Acting Secretary
Commodity Futures Trading Commission
1155 21st Street, NW,
Washington, DC 20581

COMMENT

OFFICE OF THE SECRETARY

2006 SEP -5 AM 11:58

RECEIVED
C.F.T.C.

Re: Comprehensive Review of the Commitments
Of Traders Reporting Program

Dear Madame Secretary:

Pursuant to the Federal Register notice of July 21, 2006,¹ the American Cotton Shippers Association (ACSA) supports and associates itself with the comments submitted by the National Grain and Feed Association in support of greater transparency in the Commitments of Traders Report to the performance of the overall futures marketplace for agricultural commodities.

Interest of ACSA

ACSA was founded in 1924 and is composed of primary buyers, mill service agents, merchants, shippers, exporters and importers of raw cotton who are members of four federated associations located in seventeen states throughout the cotton belt:

- Atlantic Cotton Association (AL, FL, GA, NC, SC, & VA)
- Southern Cotton Association (AR, LA, MS, MO, & TN)
- Texas Cotton Association (KS, OK & TX)
- Western Cotton Shippers Association (AZ, CA, & NM)

ACSA member firms handle a substantial portion of the U.S. cotton sold in the domestic market as well as the bulk of the trade in the export market. The 2005-06 record crop of 24 million bales will be utilized in part by our domestic mills, who will consume 5.6 million bales, while 16.8 million bales will be shipped to foreign mills. Because of their involvement in the purchase, storage, sale, and shipment of cotton, ACSA members, along with their producer and mill customers, are significant users of the New York Board of Trade's (NYBOT) No. 2 Futures and Options Contracts to hedge their spot and forward sales and purchases. Therefore, they are vitally interested in maintaining an orderly futures market environment and their interest is manifest in expressing the need for more clarity in the reporting of "non-traditional commercial" positions.

Respectfully submitted,

Neal P. Gillen,
Executive Vice President &
General Counsel

**Received CFTC
Records Section**

09/06/06

¹ Fed. Reg., Vol. 71, No. 119, at pages 35627-35632.