

From: Rosgen, Jeff [mailto:jeff.rosgen@tyson.com]
Sent: Wednesday, December 10, 2003 1:20 PM
To: submissions@cftc.gov
Subject: Increasing the Live and Feeder Cattle Daily Limits

Dear Sirs:

I am writing to voice my concern about the proposed increase in the Live and Feeder Cattle daily limits to \$3.00/cwt. I am advised by my brokerage firm (RJ O'Brien) that if this occurs, there will most likely be an increase in the equity/margin requirements for hedge positions that I have. I am a small producer and use the LC and FC markets to hedge standing inventory and future purchases and sales. Such an increase in equity requirements will make it financially difficult to have full hedge positions if market conditions warrant. For my operation, the result will be less LC and FC positions held and possibly less cattle on feed if I feel that I cannot afford to hedge the live animals. In addition, I am concerned that a \$3.00 limit will unnecessarily increase the volatility and thus risk of holding futures.

In summary, I am requesting the CME to review the decision to increase the limits to \$3.00/cwt and maintain them at the present \$1.50/cwt.

Thank you,

Jeff Rosgen