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COMMENT
CL-08379

From: Burke Henehan <bh055@yahoo.com>
Sent: Monday, April 26, 2010 12:22 PM
To: secretary <secretary@CFTC.gov>
Subject: Proposed Federal Speculative Position Limits for Referenced Energy Contracts and Associated Regulations

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Mr. Secretary,

I would like to add my voice in support of position limits on energy products.
I think this must be done through the regulatory process and not left simply to Congressional approval. I believe that will take too long and is very heavily influenced by wall street and energy industry money.

Speculation needs to be limited to hedging and be a small portion of the total energy market. Prices should be driven by the balance between Production and Consumption, not by how much energy is controlled by financiers on Wall Street or London.

When wall street speculators go with their Federal Reserve window Billions into the oil markets they are creating demand. When they consummate the purchase they have just reduced supply. All of these are financial transactions that result in no jobs and no products being produced in the USA . An extremely poor use of Government resources.
So when wall street says the cost of oil is the result of "supply and demand" the proper response is "DUH!" Speculators create demand and reduce supply. The more appropriate question is are Production and Consumption in balance or have they been corrupted by too much speculation? I believe they have been corrupted by speculation.

Crude oil prices are climbing towards $100 a barrel in spite of lower worldwide consumption. It is clear that excessive speculation, not higher consumption or lower supply is responsible for current oil prices being 145 percent greater than 2009□s lows.

B. Henehan