

**From:** Robert Chase <rob.chase@att.net>  
**Sent:** Monday, April 26, 2010 10:54 PM  
**To:** Metals Hearing <metalshearing@CFTC.gov>  
**Cc:** Ellen J. Chase <ellenchase@att.net>  
**Subject:** Metals Hearing and Comments

---

Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street NW  
Washington, DC 20581

Chairman Gary Gensler & Staff:

I want to thank you Chairman and your staff for allowing the public the opportunity to comment on the issue of position limits for precious metals. We feel it is vital for the commodity markets and in the interests of the American Public in order to regain confidence in the marketplace.

Please establish a speculative position limit in COMEX silver of no more than 1000 to 1600 contracts to avoid excessive concentration by a few traders. Please restrict any hedging exemptions from those limits to actual legitimate hedgers. Also consider stopping the levels of concentration in COMEX silver futures that have been experienced over the past few years on the short side of the market. New regulations can prevent large traders from having too much influence on the market and allow real free market price discovery. Large players would be required to exit speculative trading positions in certain circumstances.

Currently, according to the CFTC public data on bank participation (please see your web site <http://www.cftc.gov/marketreports>), a few large U.S. banks control a disproportionate net short, or selling, position in Comex silver futures of as much as 42%. That one fact is a large known concentration even if the few players can attempt to defend it for their own profitable agenda. This is analogous to a concentration on a large scale but just as bad as the 5 largest U.S. Banks and financial institutions in our latest economic meltdown whose total assets approximated 60% of our nation's GDP. (If we don't learn from the past, we are destined to repeat it. Research one of your former CFTC Chairman, Brooksley Born and her battle to control risky transactions).

We are certain position limits can be successfully deployed as a means to prevent excessive concentration and ensure markets reflect a diversity of views. That along with exclusive jurisdiction and enforcement powers will help to avoid reckless volatile commodity trading in the marketplace and to avoid the possibility of illegal manipulation and collusion to control prices.

The hope is you, Mr. Chairman can get the solid support you need from your fellow commissioners to make good on your sincere pledge to prevent excessive speculation in metal and energy markets as well as the unregulated derivative markets. Only when new reforms are pushed through that fix the broken financial regulatory framework will the public regain the confidence of government oversight and faith in our leaders.

Robert Chase  
7508 Kell Drive  
Fort Worth, Texas 76112  
817-429-9553