

**From:** ajahaddon@comcast.net  
**Sent:** Tuesday, April 13, 2010 5:31 AM  
**To:** Metals Hearing <metalshearing@CFTC.gov>  
**Subject:** Position limits/ Hedging activities/ Concentration levels

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Dear Sirs,

Attention: Secretary of the Commission, Commodities Futures Trading Commission

Thank you for giving people like me, the opportunity to provide you with some input on the issue of position limits for precious metals and in particular, the limits that apply to trading in silver and gold contracts.

I believe it is essential for a more efficient and stable market to be established, that you institute rules that would establish a maximum speculative position limit in COMEX silver and gold contracts of a limited number of contracts - perhaps in the region of 1,500 or so. Of course establishing such a limit might encourage banks and other trading desks to try to get around the limit by taking their business to other markets offshore and you will need to come up with a mechanism in conjunction with other exchanges and regulatory agencies, to ensure that such position limits are not circumvented by the managements and trading desks of the financial participants concerned.

I think it is important to restrict any position exemptions to the exchange limits referred to above and that are established to facilitate the normal market activities of professional counterparties with their clients from time to time, to legitimate hedging activities only - verification of this is particularly important in so far as the activity of the big trading banks is concerned, to ensure they are not gaming and/or abusing their role in the system.

Finally, please will you place a prohibition on levels of concentration (this has become particularly evident in COMEX silver futures trading in recent years, on the short side of the market), where again the activities of one or two big players can have a disproportionate effect on the overall market.

Thank you again for allowing me to share the above with you.

Yours faithfully,

John Haddon

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