

Dear Chairman Gensler and fellow Commissioners:

COMMENT

I urge you to approve the staff's proposal on position limits, including limiting exemptions to bona fide hedgers. I would ask you, however, to readjust the proposed formula in silver. The current formula would result in a position limit of over 5,000 contracts for any single speculator, on an all-months-combined basis. 5,000 contracts is the equivalent of 25 million ounces of silver. This is too high of a threshold in light of the realities of the world silver market.

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There are only three mining companies in the world who produce more than 25 million ounces of silver per year and only a similar number of industrial consumers using more than that amount. Any speculator holding an amount of silver derivatives greater than what 99% of the world's silver producers and consumers make or use in a year would have inordinate pricing power. The purpose of speculative position limits is to prevent such a circumstance.

Please institute a 1500 contract (7.5 million ounce) position limit for silver.

Respectfully submitted,

