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CFTC

COMMENT

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OFFICE OF THE
SECRETARIAT

RE: 76 FR 4752 Position Limits

Dear Chairman Gensler and fellow Commissioners:

It has become more than obvious that the CFTC is not doing it's job of maintaining the integrity of the futures markets as evidenced by obvious price manipulation particularly in the metals markets.

To any of us who have read anything about silver and gold over the last few years, it is clear that JP Morgan and other "too big to fail" banks are illegally naked shorting these markets and blatantly manipulating them for their own financial gain. As I understand the rules, such naked shorting is illegal, and it goes without saying that it is unethical and immoral, but since when have bankers ever cared about any of that.

These interests engaged in illegal short selling should be criminally prosecuted. Absent that at least the CFTC can remove some of their leverage by placing Position Limits on all commodities but especially where their position exceed the annual production of a given commodity. The only exception to that would be legitimate hedgers and then only temporarily. These limits would or should be a level related to volume and value of contracts traded. In the case of Silver it should probably not exceed 2,000 to 2,500 contracts.

I urge you and the Commission to place strict limits on the number of contracts any entity can hold and by entity I mean any and all subsidiaries which are formed just to obfuscate the pattern of trading activity by these self serving institutions. They should be given a brief period to unwind these positions, like 90 days, and then be forbidden to exceed the limits again. If they do, the fine should be 100% of the profits (or losses, yes that would double their losses). If it happens a second time there should be bans on their trading and
perhaps even criminal prosecutions.

This is actually in the best interests of the CFTC because with a change in how the CFTC and the exchanges operate, traders and smaller institutions will most assuredly quit doing business with either.

As a US government regulatory agency you are supposed to be operating "of the people, by the people and for the people" and protecting and safe guarding the interests of ALL
participants. As things now exist the only people being protected, and on whose behalf all rules seem to benefit (or are overlooked), are the major bank players who are breaking the rules. There is no doubt in anyone's mind who has read what has been written over the last 3 years that it is these bankers and their leveraged speculation that was the sole and complete caused of the current financial and economic depression, and yet the CFTC is rewarding them. This must stop. The CFTC and it's market rules should be able to provide all the punishment necessary to thwart these illegal operations. In fact I believe the government could be sued for negligence and dereliction of duty for failing to act in reasonable way in the enforcement of its own rules with regard to the futures markets.

The same can be said of the SEC who 3 years after the fact has failed to arrest, prosecute or imprison any of the obvious law breakers. That borders on criminal behavior itself.

It's time for the CFTC to stop letting the foxes guard the hen house. I URGE you and the commission to set the record straight with strong and enforceable positions limits.

Sincerely
David A. Vicart

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