*Via Electronic Submission*

Christopher Kirkpatrick

Secretary of the Commission

U.S. Commodity Futures Trading Commission

Three Lafayette Centre

1155 21st Street, NW

Washington, DC 20581

Re: Position Limits for Derivatives (RIN 3038-AD99)

Dear Mr. Kirkpatrick:

DECA Global , LLC and I appreciate the opportunity to submit this comment letter in response to the Commodity Futures Trading Commission’s (“CFTC” or “Commission”) proposed rulemaking entitled “Positions Limits for Derivatives” (the “Proposal”).

We support your efforts to issue a final position limits rule for many reasons. First, a final rule , with some amendments which we suggest below , will provide certainty to firms not only like ours but also to all market participants. Secondly, the Commission’s revisions to the bona fide hedging exemptions align more with how today’s cotton market operates and how the industry conducts business. Lastly, while we support the Proposal, we believe the Commission should consider several revisions. We discuss these requested below but they relate to unfixed-price sales, deliverable supply estimates, and non-spot month limits.

1. Introduction

DECA Global, LLC is a Memphis , TN based demand driven supplier to the global textile industry. Started as a ‘cotton only’ firm in the late 1980’s we have broadened our offerings into yarn and as well as other fibers and in addition to cotton trading we export American made goods to multiple foreign markets. Today our cotton trading is based in our Greenville , SC office with all other operations still run out of Memphis.

1. The Proposal

DECA Global, LLC writes in support of the comment letter submitted by the American Cotton Shippers Association (“ASCA”). As a member of ACSA, we support their comments as well as the comments of other related other trade organizations to the extent those comments are consistent with those expressed here.

* 1. Risk Management Exemptions

We support the Commission’s revisions to the “Temporary Substitute Test” and the elimination of risk management exemptions for banks as outsized positions in physical commodity-focused indexes can have significant on adverse effects on futures market price dynamics.

* 1. Enumerated Hedges

Although we support and appreciate the Commission’s efforts to expand the list of enumerated hedges, we are concerned that the Proposal would not provide the exchanges the authority to grant hedge exemptions through the enumerated process that will allow merchants to properly manage calendar spread price risk and supply price risk associated with unfixed-price sales contracts. We recognize that there are multiple ways the Commission could address these risks associated with unfixed-price sales contracts, and we support the three methods outlined in ACSA’s letter: (1) Utilize Anticipatory Merchandising; (2) Modify the Definition for Hedges of Offsetting Unfixed-Price Cash Commodity Sales and Purchases and (3) Create a New Enumerated Hedge Category.

* 1. Deliverable Supply

We disagree with the Commission’s acceptance of the deliverable supply estimates for the U.S. Cotton No. 2 (“CT”) contract. Deliverable supply estimates should be considered in terms of a product’s quality and its legitimate, available and logistical supply that is potentially deliverable. The estimates included in the Proposal do not reflect the cotton industry’s historical or current ability to deliver the physical commodity.

* 1. Federal Limits

We object to the proposed federal spot-month limit increase from 300 to 1,800 CT contracts and we sincerely urge the Commission to maintain the current federal spot-month limit at 300 CT contracts.  We also respectfully disagree with the Proposal’s increase of the non-spot limits for the nine legacy agriculture products. If the Commission decides to increase the non-spot limits for these products, the Commission should adopt lower single-month limits to prevent speculative activity from concentrating in a single contract month which would jeopardize convergence.

* 1. Exchange-Set Position Limits

As is the case with all agricultural commodity contracts liquidity is necessary for the CT contract to succeed. The CT contract plays an indispensable role in in the global cotton ecosystem and it is needed to provide price discovery for all market participants. These factors should be taken into consideration before a revised exchange-set limit is established for the CT contract.

* 1. Form 304

We support the elimination of Form 204 and the proposed changes to Form 304; however, the Commission should go further with its plan regarding Form 304 and either: (1) eliminate Form 304 completely; or (2) if it has compelling reasons to continue collecting Form 304 data, stop publishing the data for public dissemination.

1. Conclusion

Thank you for the opportunity to provide comments on the Proposal. As a past member of the CFTC Agricultural Advisory Committee and Past Chairman of ACSA I have tremendous respect and appreciation for what the CFTC does for our industry. If you have any questions or concerns, please do not hesitate to contact me at Cotton@Decaint.com.

Sincerely,

Jordan Lea

Senior Trader

DECA Global LLC