

October 28, 2010

David A. Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: *Advanced Notice of Proposed Rulemaking and Request For Public Comment on Agricultural Swaps (Federal Register Release 75 FR 59666)*

Dear Mr. Stawick,

In response to the Commodity Futures Trading Commission's (CFTC or Commission) presentation before the Agriculture Advisory Committee in August on agricultural swaps and in response to the advanced notice of proposed rulemaking, we would like submit the following comments for your consideration.

We, the undersigned organizations, represent end-users of all U.S. futures markets. The members of our respective organizations trade regularly on the Chicago Board of Trade, Chicago Mercantile Exchange, ICE Futures US, Kansas City Board of Trade, Minneapolis Grain Exchange, and New York Mercantile Exchange.

Ag swaps are used, to varying degrees, by our members because they provide a targeted, customized, cost-effective, and efficient risk management strategy. They offer contract characteristics outside of what is generally available on regulated futures markets. These products are not used to replace regulated exchange-traded contracts. Rather, they complement exchange products and enhance the overall offering of tools available to market users to satisfy their specific risk management needs. In a world with increasing inherent volatility, the need for risk management instruments has never been greater.

We urge the Commission to treat swaps for all commodities harmoniously. We believe the comprehensive regulation of swaps should not be based on distinctions among commodity types. The generally applicable protections under the Dodd-Frank Bill – such as reporting, mandatory clearing, mandatory trading of standardized swaps, minimum capital requirements, and the CFTC's authority to impose position limits, determine which swaps are subject to clearing and trading and to exercise emergency powers – will protect ag swaps from fraud and manipulation.

We look forward to working with the Commission, the commodities industry (including both hedgers and speculators), and the U.S. futures exchanges to find ways to accommodate the demand for better risk instruments – including customized products like swaps.

Sincerely,

American Farm Bureau Federation
American Soybean Association
Commodity Markets Council
National Association of Wheat Growers
National Cattlemen's Beef Association
National Corn Growers Association