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COMMENT
CL-06384

From: dunderavect@sbcglobal.net
Sent: Tuesday, April 13, 2010 3:39 PM
To: secretary <secretary@CFTC.gov>
Subject: Proposed Speculative Position Limits on Energy

Robert McNaughton
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April 13, 2010

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

Dear Mr. Stawick:

A hedge fund employee related to me several years ago how his colleagues were "dancing in the aisles" as the nation was gasping when gasoline prices were soaring. He said that they were knowingly and consciusly mapipulating the price of oil, and that they "earned" fortunes as oil prices went up, and then again when they went down a bit. their shenigans were directly harmful to ordinary citizens, as well as to business and industry - which ultimately had to pass on the higher costs to customers, so we were all punished by these speculative traditing activities.

I am writing in support of the CFTC's Proposed Federal Speculative Position Limits that will reestablish speculative position limits on major energy commodities. This rule will provide stability to the marketplace and help prevent future price bubbles. The CFTC must quickly approve a strong rule to protect America□s struggling economy. Wall Street's speculative trading in oil not only hurts the economy, but hurts every American who pays excessive prices at the pump, for groceries, home heating oil and everything related to transportation.

Our tax dollars were used to bail out large Wall Street firms when they were on the brink of bankruptcy. It is these same institutions that pushed the price of gasoline well past $4 per gallon in 2008 by gambling on oil and continue to profit at every American□s expense.

Rampant oil speculation by large Wall Street trading firms has resulted in extreme volatility in energy markets and unwarranted price spikes in recent years. Given that supplies are at record highs and demand remains weak, fundamentals cannot explain recent price hikes and destructive price swings. Unless the CFTC adopts the proposed rule, markets will continue to fluctuate wildly.

Position limits existed in energy markets until 2001 and currently apply to agricultural commodities. CFTC should use its existing experience to

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regulate position limits of speculators and prevent excessive concentration in the energy markets, while ensuring that exemptions to these limits afforded to real physical players such as fuel cooperatives, public utilities, truckers and airlines are not exploited by big banks and billionaire investors.

Energy consumers desperately need stability in the marketplace. I encourage the CFTC to adopt the Proposed Federal Speculative Position Limits before volatile fuel prices further harm the country□s already weakened economy.

Sincerely,

Robert McNaughton
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