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Special Executive Report

S-4210

February 2, 2005

DECREASED SPOT MONTH POSITION LIMITS IN NEWLY LISTED CME BELLIES FUTURES

At its Regular Meeting on January 31, the Board of Directors approved a decrease in the spot month position limits for CME Frozen Pork Bellies futures. Under Exchange certification, the decrease will be made effective for all newly listed contract months, beginning with the February 2006 contract upon its listing on Thursday, February 24, 2005.

The text of amendments to Rule 15102.E, reflecting the schedule of decreased limits, is noted below with additions underlined and deletions overstruck.

FROZEN PORK BELLIES FUTURES

15102.E. Position Limits

No person shall own or control more than:

1. 1,000 contracts net long or short in all contract months combined;
2. 800 contracts long or short in any contract month;
3. ~~450~~ 100 contracts long or short in the expiring contract month as of the close of business on the first business day following the first Friday of the contract month;
4. As of the close of business on the sixth business day following the first Friday of the contract month, no person shall own or control more than the number of contracts long or short in the expiring contract month as described in the list below:

| Deliverable Supply | Position Limits |
|---------------------------|------------------------------------|
| 500 or more | 400 <u>75</u> contracts |
| 499 to 400 | 75 <u>50</u> contracts |
| 399 or less | 50 <u>25</u> contracts |

For purposes of this rule, "Deliverable Supply" shall mean the number of registered deliverable pork bellies reported in the CME Clearing House Department's weekly report immediately preceding the first Friday of each expiring contract month.

5. As of the close of business on the business day immediately preceding the last 3 days of trading, no person shall own or control more than the number of contracts long or short in the expiring contract month as described in the list below:

For the July and August contract months only:

| Deliverable Supply | Position Limits |
|---------------------------|-----------------------------------|
| 300 or more | 50 <u>25</u> contracts |
| 299 or less | 25 <u>10</u> contracts |

For all other contract months except July and August:

| Deliverable Supply | Position Limits |
|---------------------------|-----------------------------------|
| 200 or more | 50 <u>25</u> contracts |
| 199 or less | 25 <u>10</u> contracts |

For purposes of this rule, "Deliverable Supply" shall mean the number of registered deliverable pork bellies reported in the CME Clearing House Department's weekly report immediately following the first Friday of each expiring contract month.

For positions involving options on Frozen Pork Bellies futures contracts, this rule is superseded by the option speculative position limit rule.

If you have any questions about this matter, please contact Eric Wolff, Managing Director, Regulatory Affairs at 312/930-3255 or Ken Lovett, Associate Director, Market Surveillance at 312/930-3257 or Paul Peterson, Director, Commodity Product Development, at 312/930-4587 or Jack Cook, Associate Director, Commodity Product Development at (312) 930-3295.