

CFTC Staff to Host Position Limits and Aggregation Roundtable

Market participants are encouraged to submit further comments to the Commission.

The Commodity Futures Trading Commission (CFTC) on May 27, 2014 announced that it will hold a public roundtable at the CFTC on **Thursday, June 19, 2014**¹ to discuss two proposed rulemakings:

- The Position Limits Re-Proposed Rule² that would establish specific limits on speculative positions in 28 physical commodity futures and option contracts as well as swaps that are economically equivalent to such contracts
- A related proposed rule addressing the circumstances under which market participants would be required to aggregate their positions with other persons under common ownership or control – the Aggregation Proposal³

For a more detailed summary of the Position Limits Re-Proposed Rule and the Aggregation Proposal, see our previous *Client Alert* on position limits and aggregation, available [here](#).

According to the CFTC, the roundtable will address, among other things:

- Hedges of a physical commodity by a commercial enterprise, including gross hedging, cross-commodity hedging, anticipatory hedging and the process for obtaining an exemption
- The setting of spot month limits in physical-delivery and cash-settled contracts and a conditional spot-month limit exemption
- Aggregation of positions based on ownership interests of greater than 50 percent of an owned entity and aggregation based on substantially identical trading strategies

Market participants potentially affected by the Position Limits Re-Proposed Rule and the Aggregation Proposal will have the opportunity — and are encouraged — to submit further comment letters with their views on these topics to the CFTC. The public comment period for the Position Limits Re-Proposed Rule and the Aggregation Proposal will be open until **July 3, 2014**.⁴

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Endnotes

¹ See CFTC Staff to Host a Public Roundtable to Discuss Position Limits for Physical Commodity Derivatives, CFTC Press Release 6937-14 (May 27, 2014), available at: <http://www.cftc.gov/PressRoom/PressReleases/pr6937-14>

² See Position Limits for Derivatives, Proposed Rule, 78 Fed. Reg. 75680 (Dec. 12, 2013).

³ See Aggregation of Positions; Proposed Rule, 78 Fed. Reg. 68946 (Nov. 15, 2013).

⁴ See Proposed Rule; Extension of Comment Period, RIN 3038-AD99, available at: <http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/federalregister052214-a.pdf>