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**STATEMENT OF SENATOR CARL LEVIN  
ON  
CFTC APPROVAL OF FINAL POSITION LIMITS RULE**

WASHINGTON – Sen. Carl Levin (D-Mich.), chairman of the U.S. Senate Permanent Subcommittee on Investigations, said today that the position limits rule approved by the Commodity Futures Trading Commission (CFTC) in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act represents “significant progress for middle class families.” Levin’s subcommittee has held hearings and issued multiple reports on excessive speculation in U.S. commodity markets. Levin said the following:

“The position limits rule approved today by the CFTC represents significant progress for middle class families facing roller-coaster gasoline, electricity, and food prices. Mandatory trading limits will now apply to energy, metal, and agriculture speculators, restrict the size of their futures holdings and swap holdings, and curb the trading of financial firms facilitating client speculation. Businesses that actually use commodities – farmers, manufacturers, airlines – will not be affected and will continue to operate free of position limits.

“Stronger trading limits to stop excessive speculation and price manipulation are long overdue. Six years ago, in 2007, my Subcommittee showed how a single hedge fund, known as Amaranth, sometimes held as much as 75% of the natural gas futures in a single month. In 2009, my Subcommittee showed how some commodity index traders had been given position limit exemptions that allowed them to amass 7 times more than the official limit on wheat holdings. The result was excessive speculation, price manipulation, and unfair prices hitting American families and businesses.

“Stronger position limits will help shut down those trading abuses, but I must also raise a note of caution. The progress made by the rule may be offset in part by some provisions that delay or weaken its effectiveness; we will know more when the details are made public. But right now, we should celebrate the fact that a final rule has been approved. Dodd-Frank has struck a blow on behalf of consumers, business, and fairer commodity prices.”

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