July 16, 2026

Commodity Futures Trading Commission
Attn: Christopher Kirkpatrick
Secretary of the Commission
1155 21st Street, NW
Washington, DC 20581

TRANSMITTED ELECTRONICALLY
Re: Objection to CME Submission Nos. 26-257 and 26-311 (Beef Trim Futures and Options Contracts)

Dear Commissioners:

On behalf of the Independent Beef Association of North Dakota (IBAND), we respectfully submit this letter in opposition to CME Submission Nos. 26-257 and 26-311, which would establish new Beef Trim futures and options contracts.

IBAND strongly opposes the CME's new Beef Trim futures and options contracts. These contracts do not provide the risk management tool the CME claims they will. The CME's original purpose was to provide a risk management tool for producers. As a publicly traded entity, it also has responsibilities to its shareholders.

Instead, these contracts will place a fictitious value on beef trim, a true supply and demand product that sets its own price. Beef trim should continue to be valued by the cash marketplace rather than by a speculative futures contract.

Trading by speculators and algorithms has contributed to volatility in feeder cattle and fat cattle markets that is not supported by underlying market fundamentals. Rather than improving price discovery, these proposed contracts have the potential to inject additional speculation into an already unstable marketplace.

Allowing this beef trim trade could enable packers to manipulate prices, thus affecting the prices of fat cattle, cull cows, and bulls in a way that benefits the packers while hurting cattle producers. These contracts would provide another mechanism for the largest beef packers to influence cattle markets at the expense of independent producers.

There is already a feeder cattle futures market and a live cattle futures market, and those markets are well established. Adding a separate beef trim futures contract could further increase the monopolistic control and market concentration already held by the four major packers while creating another avenue for speculative activity that is disconnected from the fundamental forces of supply and demand.

The Commission should carefully examine whether these contracts will improve price discovery or simply create another avenue for price volatility and market manipulation that ultimately harms independent cattle producers.

Therefore, IBAND urges the Commodity Futures Trading Commission to reject CME Submission Nos. 26-257 and 26-311 and not allow these contracts to be listed for trading. At the very least, the Commission should suspend approval until a further review can be conducted regarding the potential impacts on price discovery, market integrity, competition, and independent cattle producers.

By submitting these comments, IBAND respectfully places its substantive objections to CME Submission Nos. 26-257 and 26-311 before the Commission and requests that these concerns become part of the administrative record. Given the significant implications for independent cattle producers and the cattle industry, IBAND urges the Commission to exercise its authority under the Commodity Exchange Act to object to these submissions and suspend implementation until a more thorough review of their potential impacts can be completed.

Respectfully,

Board of Directors
Independent Beef Association of North Dakota