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UNIVERSITY
OF SOUTHERN
CALIFORNIA

School of Business
Administration

Department of Finance
and Business Economics

Lawrence E. Harris
Professor of Finance and
Business Economics

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Jean A. Webb
Secretary of the Commission
Office of the Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, Northwest
Washington, D.C. 20581

Re: Cantor Financial Futures Exchange

Dear Secretary Webb:

The Cantor Financial Futures Exchange proposal has recently come to my attention. I am writing to express to the Commission my strong favorable opinion of the proposal.

The CFFE proposal is an excellent, innovative proposal. Its adoption will make available valuable services to futures traders that are not presently available elsewhere.

I am quite familiar with the Cantor system as it is used in the Cantor brokered cash markets. It provides traders with great anonymity, very low-cost transaction services, and the opportunity to interact effectively with other traders. Traders greatly value these market characteristics. The CFFE proposal will allow traders in the futures markets to enjoy the same benefits that they presently enjoy in the cash markets.

The CFFE proposal, however, is more than just a better way to do existing business. It will ultimately allow traders to seamlessly implement simultaneous trading strategies that operate in both the cash and futures markets. For many traders, problems with cross-market trade coordination and with cross-instrument margins make these trading strategies difficult to implement and often prohibitively expensive. The CFFE proposal will solve these problems.

The Cantor system also provides regulators with an extremely accurate audit trail. The front-running trading abuses that we occasionally see in floor-based trading systems almost never appear in electronic systems like the Cantor system. From a regulatory point of view, this proposal presents few risks and many important benefits.

Innovation in the US financial markets has been the single most important factor in their growth. The United States currently leads the world because we have been willing to experiment with new products and new trading technologies. The CFFE proposal represents an innovative and low-risk effort by credible players to improve our markets. I sincerely hope that the Commission will give them in early opportunity to discover whether the market will support their efforts.

Sincerely,



Lawrence Harris
Fred V. Keenan Chair in Finance

University of
Southern California
Los Angeles,
California 90089-1421
Tel: 213 740 6496
Fax: 213 740 6650
e-mail: lharris@usc.edu

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COMMENT

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