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(18)

**secretary**

**From:** Salem Abraham [salem@lads.net]  
**Sent:** Sunday, October 04, 1998 5:17 PM  
**To:** secretary@cftc.gov  
**Subject:** Foreign Board of Trade Terminals- comment

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Dear Ms. Webb and CFTC Staff,

My name is Salem Abraham. I am the president of Abraham Trading Co., a Commodity Trading Advisor located in Canadian, Texas. Canadian, Texas is a town of 2,500 people located in the Texas Panhandle. Abraham Trading Co. currently manages about \$55 million for clients.

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I am 100% for electronic trading in any manner we can get it, and I am tired of seeing the U.S. Exchanges drag their feet in implementing this new technology. We are now starting to see the U.S. Exchanges begin to move in this direction because of competition from foreign exchanges, like MATIF and DTB, and from people like Cantor Fitzgerald. Of course they are doing all they can to delay this long overdue evolution to more efficient technology because it is not in their best financial interest to do so. Unfortunately, they are totally out of touch with what is in the public's best interest. They are focused on their own pocket book and that is all. I am sure they are all against putting DTB terminals in the U.S. because it would open up competition against them. Quiet frankly, that is just what they need to get them moving in the right direction.

COMMENT

As you might guess, I am 100% for DTB terminals in the U.S. I have already contacted them to arrange to have one installed here in Texas if they receive approval. I do not think the CFTC has any right to regulate this activity anymore than you have the right to regulate me picking up the phone to call a broker on a foreign board of trade floor. This is just another (albeit more efficient) mode of communication. Also, contrary to condition #2 of the CFTC's No Action Letter to the DTB, I think that you should open this up to non-FCMs also. At least let professional traders, such as CTAs, trade client money directly from a terminal. You have allowed the CME to do this with Globex and their ETH permits. Why are you discriminating against the DTB. I have assumed that an ETH permit holder could trade on the MATIF exchange over Globex. Why not let them also trade on DTB? Certainly the CFTC should treat everyone fair and equal.

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The bottom line is that electronic exchanges are a more efficient, more cost effective way to enter orders. They also do not have problems with out-trades like the open outcry systems have, and there are less likely to be unlawful dealings on an electronic exchange. I hope the CFTC will not impede the progress of technology by limiting the use of electronic exchanges here in the U.S. The exchanges themselves have stalled for much too long, and it has been at the cost of the U.S. public and at the benefit of their own pocketbooks.

Please feel free to contact me by phone if you would like.

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