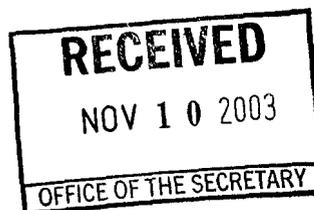


#4

November 7, 2003



Mr. Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549

**Re: SR-AMEX-2003-81- American Stock Exchange (Amex) Proposed
Rule Change relating to Standard & Poor's (S&P) and Amex Closing
Prices**

Dear Mr. Katz:

A.G. Edwards & Sons, Inc. appreciates the opportunity to comment on the above referenced proposed rule. Fundamentally, we believe a change of this magnitude should have been filed for notice and comment, especially in light of its impact on the investing public.

Our specific concerns are as follows:

1. The proposal does not address, in detail, how Amex closing prices will be established nor how such closing prices will or will not be related to the national best bid or offer (NBBO).
2. The Amex currently does not have fully automated linkages including auto execution with most market centers trading Nasdaq securities and, therefore, instances of trade-throughs and inaccessible prices are more frequent.
3. The Amex has not demonstrated that their systems and pricing are competitive relative to other market centers trading Nasdaq securities. This is evidenced by their market share figures, which are less than 1% of the total volume in Nasdaq securities.
4. The Amex has not specified what new regulatory and surveillance systems will be established to monitor specialist activity at the close. We firmly believe that formal and extensive Amex surveillance and oversight procedures are necessary to assure investor protection.
5. We believe the impact of multiple market open and closing prices (Nasdaq and Amex) will lead to investor and market participant confusion and could have a deleterious impact on investor confidence.

We believe these proposed changes should be looked at in context with the full range of market structure issues such as electronic access, access fees, price protection and regulatory reforms before implementing such major structural changes.

A.G. Edwards & Sons, Inc. appreciates the opportunity to express our views and concerns regarding the above referenced Amex proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank S. Childress". The signature is written in a cursive style with a prominent initial "F" and a long, sweeping underline.

Frank S. Childress
Vice President
Nasdaq Trading
A. G. Edwards & Sons, Inc.

cc: Annette Nazareth, Director, Division of Market Regulation
Robert L.D. Colby, Deputy Director, Division of Market Regulation