

From: alvin yap <alvinyappy@hotmail.com>
Sent: Wednesday, January 20, 2010 9:27 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sir

RIN 3038-AC61

Extract from CFTC proposed regulation:

"leverage in retail forex customer accounts would be subject to a 10-to-1 limitation,"

As a retail forex trader, I find the above proposal extremely intrusive and unnecessary. 2 things came to my mind when I read the proposal.

1) Kill retail forex market = Protect US futures market

Please don't insult the intelligence of the retail investor community by denying the above. I sincerely hope the US will not adopt this high-handed attitude in dealing with other international trade issues. A better alternative would be to boost both markets through regulations which truly protect all types of investors. Perhaps both markets could offer different trading terms and conditions to cater to different types of investors.

2) Tremendous increase in risk to the retail investor

Under your proposal, 90% of retail forex investors would be eliminated immediately. The remaining 10% more highly-capitalised investors would have to greatly increase the funding of their trading accounts. This would expose them to higher risk of massive losses. As everyone knows, the greatest bane of retail forex is the predatory nature of forex brokers, and occasionally, their tendency to disappear/fail together with the customers' funds, irregardless of whether they are regulated by NFA, CFTC or whatnot.

I am sure your proposal will attract great interest from the forex community. Please take our feedback seriously, afterall, your purpose is to serve us, and not to sever us.

Regards
Alvin Yap
Singapore