

From: huayu zhang <fredenzhy@hotmail.com>
Sent: Friday, January 15, 2010 8:00 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC61

Dear Secretary,

As a FX trader with years of experience, I am fully against the recent proposal to limit leverage to 10:1. Here's my reason.

Currently I'm being successful trading FX with dealers providing 50:1 to 200:1 leverage, but I only use around 7:1 to 11:1 leverage in all of my 6 accounts. The big differences between available leverage and used leverage in each account assure that all my positions are safe from forced liquidation under any volatile market movements.

But now with the 10:1 leverage, I will lose the preferred buffer and my positions will be in much bigger danger to be liquidated by dealers if there's market news hit the wire. Because if the leverage will be limited to such a low level, I'm automatically being forced to use greater portion of available leverage and much easier to getting a margin call. Even I did all I can to limit my trading risk, such a rule will put many individual traders like me in worse situation.

If the proposal to become rule, I, with many traders I know, will close accounts in U.S. and flee overseas. Losing protection from domestic regulator is the last thing we want trading FX, but 10:1 leverage cap is just untradeable.

Regards.

Fred Zhang
725 N 92nd CT. Apt404
Omaha,NE 68114

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