

**From:** RLVLT <ms.rlvlt@gmail.com>  
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**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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### RIN 3038-AC61

I understand that the intentions of the CFTC is to protect investors. But the fact is that some people will make foolish financial decisions regardless of how many level headed regulations are in place. There are many areas regarding the Forex market where careful regulation is welcome, particularly in regard to unscrupulous Forex related scams. A requirement to provide more proof of profit claims, or some oversight agency to provide a seal of approval for those signal memberships, for instance, would go far in saving uneducated investors from being taken advantage of.

However, the most recent regulations have unfortunately encroached on the rights of experienced investors to choose the level of risk at which they would like to participate in the market. First, there was the restriction on simultaneous opposing positions. That was a legitimate trading strategy in the hands of a great number of people. If even more people were not using it properly, well, the fact of the matter is that the majority of day traders in the stock market and in Forex lose money because they are not properly educated about what they're doing. My point is that those people will very likely be parted from their money regardless of any restrictions by the CFTC. They simply do not know what they're doing.

Even more recently was the restriction on leverage above 100:1. I did not believe then, nor do I believe now, that this was a necessary move. It does not take long for anyone to find simple, reliable advice for trading on the Forex market. From [babypips.com](http://babypips.com) to all manner of books and articles, it is made plain that the higher the leverage, the greater the risk. So there is no excuse for anyone who is a beginner, or who has taken even the most cursory glance at the basics of currency trading, to be uninformed about this risk. There is no reason to make everyone employ more conservative trading strategies just because there are many foolish people trading the markets.

One of the very best thing about the retail Forex market is the number of brokerages that allow unlimited demo trading accounts. Absolutely anyone may practice currency trading strategies indefinitely at absolutely no risk, or cost, whatsoever for as long as they feel necessary. If, after doing so, investors choose to open live accounts using the strategies they have practiced, then they should have a perfectly free choice in the method and leverage in which to trade.

I would suggest that, if the CFTC was going to regulate anything regarding brokerages, it would be the minimum levels needed to open accounts. At a minimum, it should probably be something like \$500 for micro accounts, \$5,000 for mini accounts and \$50,000 for standard accounts. Right now, if I'm not mistaken, it's about half that much. There's a risk that's easily regulated.

That, and the regulation of those fraudulent memberships, would do so much more for novice investors than the recent regulations implemented and under consideration. I hope the CFTC will soon reconsider those and restore the freedom of choice experienced investors deserve to have. I strongly request that we once more be able to employ simultaneous opposing positions and leverage up to 400:1. But, by no means, should the choice of leverage ever be limited to anything less than at the very least 200:1.

Thank you for your consideration of these suggestions and requests.

Sincerely,

Rebecca Theriot