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Subject: Regulation of Retail Forex

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David Stawick, Secretary
Commodity Futures Trading Commission
1155 21st Street, N.W.,
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Dear Secretary

I write in regard to the proposed 10-to-1 limitation of leverage in retail forex accounts.

I have spent over 2 years living mostly in Cambodia and working pretty much full time practising my trading and learning off the internet how to make my trading more profitable. I had a profitable month just gone in Dec 2009 and hope to soon begin reaping the rewards of my investment of time and work. As I improve further, 100:1 leverage may be useful for my own trading strategy and for the trading strategy of anyone whom I might tutor and maybe assist with a small capital outlay with which to begin trading under my supervision.

I think that the proposed new regulation would discriminate unfairly against me as a retail forex trader and is not consistent with what I was told is the free enterprise ethos; I have taken considerable personal risk with my time and invested a great deal of work. I have, since I started trading, hoped to progress to a stage where I could withdraw profits from my trading account and have them available elsewhere in the knowledge that it would be viable for me to increase my trading volume using leverage approaching 100:1.

I think the proposed new limitation of leverage would limit the profits most of skilled retail traders that have developed a successful trading strategy using shorter stop losses whilst it would have a much lesser impact on traders that have larger amounts of money to meet greater margin requirements and wait longer periods of drawdown time until their trade goes into a profit.

I think that the regulation should not apply to retail forex traders after maybe a month or two as awareness of how easy it is to lose money trading forex increases very quickly at losing money trading forex and one should surely begin to appreciate the risks associated with trading with higher leverage after a month or two of losing their money trading at 10:1 leverage, and then be able to make an informed and voluntary choice regarding their money and trading.

Sincerely

Brendan Dempsey