

From: Alex Caffary <Alex@caffary.net>
Sent: Thursday, January 21, 2010 6:05 AM
To: secretary <secretary@CFTC.gov>
Subject: Proposed Retail Forex regulations

Reference: RIN 3038-AC61

I have read the proposed changes to the retail Forex regulations in the US and hereby submit my comments below.

I fully support the concept of regulation in this industry and agree with the requirement for all brokers engaged in the off-market retail Forex industry to be registered and monitored.

However, when it comes to risk and risk appetite/aversion, it is not up to any regulatory body to decide what level of risk is appropriate. That should be left solely up to the individual trader. Imposing such limitations as a maximum of 10:1 leverage goes against the spirit of free market practices.

I derive part of my income from trading retail Forex and that income has become even more necessary during these hard economic times. Reducing the maximum leverage down to 100:1 and imposing the FIFO rule in 2009 had a significant impact on my earnings. Further reducing the maximum leverage to 10:1 will put me and thousands of other professional Forex traders out of business. Is this the aim of the CFTC? Limitations such as this make it harder for the personal trader to earn an honest income whilst making it much easier for the large institutional traders to rake it in at the little guy's expense.

As such, I urge the CFTC to reconsider its proposal and leave the maximum allowed leverage at 100:1, or even better, remove all leverage restrictions altogether as it only serves to help the deep pockets and hurt the little guy.

Respectfully submitted,

Alex Caffary

alex@caffary.net