

From: Walt Faulkner <waltfaulkner@comcast.net>
Sent: Thursday, January 21, 2010 9:14 AM
To: secretary <secretary@CFTC.gov>
Subject: RE: RIN 3038-AC61 - Regulation of Retail Forex

The Proposed changes to margin requirement for retail forex are short-sighted and offered by individuals that obviously do not understand the markets they are trying to regulate. Margin requirements have been set by the volatility in those markets. Foreign exchange does not have the swings of other instruments because you are not say buying pork belly futures, You are doing a swap between say US Dollars and Japanese Yen. Unless you are expecting the US Government to collapse overnight, there is no reason to try and cut the margin rates from the current 1% to requiring 10%. This will have a huge impact of people like myself that make a living trading currencies. You will be cutting off my source of income and putting me out of a job.

You need to dump this proposal before you destroy this entire market. Cutting out the US currency traders will create a currency market controlled by overseas traders. When I studied Economics and Finance in school, there were clear examples of how more traders give more depth to a market. More people trading mean better rates for everyone and assure that there are always willing buyers and sellers.

This proposal is the worst idea I've seen from government in a long time and looking over some of the bad ideas in recent years that says a lot.

Walt Faulkner
2112 Adams Ave
Knoxville, TN 37917
865-366-0149