

From: william boyers <wc.boyers@gmail.com>
Sent: Thursday, January 21, 2010 5:23 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Secretary Stawick,

I am a retail FX trader holding an account with a US broker. While I applaud many of the things that the CFTC does to regulate and protect me as a trader, I am **very opposed** to and strongly believe limiting maximum leverage in retail FX to 10-1 (RIN 3038-AC61) is not a good idea. I believe that such limitations will actually have an opposite influence than intended.

I'm sure you agree proper money management is key to successful investing no matter the vehicle. I am sure that reducing the margin for FX trading in this case could in fact reduce the protection that it intends. Some of the issues I see are,

- Traders with the additional funds necessary to trade at 10-1 will thereby be depositing ever more funds into FDIC/SIPC unprotected holdings. In the even the broker institution fails, more funds are at risk, not less.
- It is likely that many traders will clear their NFA/CFTC regulated brokers and seek non-regulated brokers offering higher margins but potentially unscrupulous dealing practices.

For those that choose to invest a portion of their portfolio into retail FX, I do believe there should be some implemented regulations that currently don't exist. I think that NFA/CFTC regulated brokers should

- Be required to offer a choice of margin leverage including 1:10 but not higher than 1:100 to suit the traders tolerance for risk and trading style.
- Require a certain minimum opening deposit based on margin level to deter persons with little to no real "risk" capital.

Again, I am in strong opposition to this particular proposed regulation and am disappointed at the thought of the myriad of consequences that will result if it is enacted. Thank you very much for your service and your time.

Best Regards,
---William Boyers