

From: D Power <dimitri.power@wanadoo.fr>
Sent: Thursday, January 21, 2010 6:35 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sirs,

I have a small account with a USA Forex Broker. This account allows me to take advantage of forex trading and I can trade with 100 : 1 leverage. My total risk to my account is the actual balance on my account. Changing the leverage will not change the risk to my account nor the risk of loss per trade as this is fixed in percentage terms depending on my stop loss.

However, it will greatly reduce my ability to trade, regardless of risk and potential of the trade. When I take a trade, I have a stop loss that I am willing to lose, as the trade goes my way I put my stop loss to brake-even. Thus I have no risk to my capital but an I can acquire what ever profit the market is willing to give me. With no risk to my initial capital, I am free to search for new trading opportunities. The high leverage allows me to do this as I can then use leverage to get into another trade while risking nothing more to my capital than the risk on the original trade. By trading this way I can make around 2 pct a day, and perhaps one day aspire to a holiday or helping other family members. If the leverage is decreased from 100:1 to 10:1, I will not be able to trade full stop. I will be forced to accept the 0.5 pct the bank pays me on a yearly basis for cash deposit and the bank will be the only one trading my money.

So the proposed changes to the leverage regulation will simply exclude the small guy in favor of the big institutions, banks and wealthy individuals, who will be the only ones allowed to trade.

Thus under the pretext of helping the poor you will be giving the "privilege to trade" only to the rich, regardless of ability, therefore destroying, in one go, our dreams.

Best Regards
D Power