

From: John Dennegan <jacksonville56@optonline.net>
Sent: Thursday, January 21, 2010 6:45 PM
To: secretary <secretary@CFTC.gov>
Subject: Changes to Forex Leverage

Dear Sirs:

The change in Forex leverage from 100:1 to 10:1 is wrong and ill advised. If you know anything about trading then the most important thing for a successful trader to have is a valid trading methodology. Excessive leverage in any investment vehicle can bring ruin to the individual very quickly. There are brokers with 400:1 Forex leverage. Those should be changed to 100:1 or have greater funding requirements.

These are free markets, Forex. It is the not CME. It almost sounds as if you are forcing the small trader to move from Forex and into CME trading vehicles or other American Exchanges where there is less leverage.

Leverage of 100:1 is fine. There are brokers that let you choose your leverage. 100:1 is fine for the small trader.

Remember, water seeks it's own level. Likewise investors will trade Forex overseas, that is move there money where they can get 100:1. I wonder if that will take revenue from American Forex brokers.

Thank you for your time and patience. I applaud sincere attempts to protect all investors and know it's a daunting task.

Please reconsider this change. Keep at least 100:1 Forex leverage.

Humor, why not tell the banking committee in D.C. that all mortgages must have 10% down. That's 90% leverage. FHA has 3% down with 97% leverage. Now that's excessive, also called sub-prime. You know how well that turned out.

You should do an informal review of Forex brokers and see what they offer to their clients.

Here is a link with brokers and what they offer:

<http://www.forexspies.com/forex-brokers/comparison/nfa-regulated-forex-brokers-compare.asp>

John D.