

From: pamsline@comcast.net
Sent: Sunday, January 17, 2010 12:54 AM
To: secretary <secretary@CFTC.gov>
Subject: Public Comment Form

Below is the result of your feedback form. It was submitted by
(pamsline@comcast.net) on Sunday, January 17, 2010 at 00:53:41

commenter_subject: "Regulation of Retail Forex"

commenter_frdate: 1/16/10

commenter_frpage: 5772-10

commenter_comments: To Whom It May Concern: I think lowering the
leverage requirement for retail FOREX transactions
will do the exact opposite in regards to customer
protection.

It wouldn't matter if you lowered or raised the
leverage amount in terms of customer protection.
The fact of the matter is many uneducated people
try their hand at FOREX and lose. Reducing leverage
will not change this outcome when FOREX brokers
blanket the internet with advertising promising
fast and easy money with a little disclaimer at the
bottom of heavy risks of loss.

The fact is the FOREX is a zero sum market.
Lowering the leverage of retail FOREX in the U.S.
would do nothing but kill a legitimate business.
Why would Americans keep trading in a climate that
is laden with laws against them? Why would
foreigners open a FOREX trading account in the U.S.
when the rules are prohibitively against them
compared to other jurisdictions around the globe?
[Leverage works for you as much as against you.]

We have already suffered massive restrictions in
the U.S. already from the NFA with imposing No
hedge rules and FIFO. Most U.S. brokers have
already opened brokerages outside the U.S. already
due to the enactment of these rules and to my
knowledge all have plans to do so.

By enacting this legislation to restrict and limit
traders further will only cause a mass exodus of

FOREX trading in the retail U.S. markets.
This will cause American traders to put their money
in less than scrupulous brokers with less ethics
than what the U.S. permits via the NFA oversight.

So if American traders put their money in a foreign
FOREX broker how can you say this will benefit the
trader? How will this protect the American trader?
How will this benefit the U.S. based broker? How
will this encourage investment from foreign means
in the retail U.S. FOREX market when rules around
the globe are more favorable to the trader?

Are we not satisfied until we move all high paying
jobs overseas?

Before we were hit with all the erroneous NFA rules
and regulations we were afforded up to 400:1
leverage. Guess what? people were blowing accounts
even at that level. Changing the level of leverage
will do nothing to prevent someone from blowing an
account or losing in FOREX.

The U.S. retail FOREX market is an infant when
comparing it to the U.K. and various other places.
Yet they don't see the need for these kinds of
rules and restrictions. If you are so worried about
the consumer you should educate them and not
restrict them.

Because an educated trader will know better when
the time comes. Limiting leverage or some of these
other ridiculous things the lawmakers that be come
up with all in the name to protect us from
OURSELVES? What a pathetic joke. If it's not
obvious already I would hope that you elect to
leave leverage rates the way they currently are at
the minimum of 100:1. Otherwise the blood of the
retail U.S. FOREX markets are on your hands and the
people you are trying to protect will be leaving
your jurisdiction in droves. BTW, this isn't a
threat it's a promise.

Sincerely,
Pamela Reavis

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