

From: Eric Smith <angelravenspear@sbcglobal.net>
Sent: Friday, January 22, 2010 5:59 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC61

To Whom it may concern,

I was recently informed by my trading broker that a new regulation is being considered to lower the maximum trading leverage of the Foreign Exchange market down to 10:1. As a concerned citizen I feel it is my duty to voice my outrage over this recent proposal. After studying the Foreign Exchange market for a few years, it has come to my attention that the only way someone other than a big bank or institution can make a decent return on their investment is through the higher leverage that was once offered. Lowering it even further will only hurt the situation.

I understand that by limiting the ammount an individual is allowed to leverage themselves it limits the ammount they are able to risk losing, however this also severely limits the ammount one is able to make as well. Just as when you have people quit trading because of large losses, there can also be a backlash of people ceasing to trade because of hard earned wins that fail to yield a decent profit.

Back when the allowed leverage was limited from 400:1 down to only 100:1 I found myself both angry and frustrated at how my options to trade and leverage myself as my personal risk tollerance dictates had been taken away from me. I along with others, were forced to seek brokers outside of the U.S. where our freedom to trade how we choose had not yet been deminished.

We are not children, and it is insulting to be treated as such. There are already enough roadsigns and warnings in place that make it abundantly clear how the Foreign Exchange market does involve risk and that as adults it is our decision to make if we take that risk, and if so how.

If anything, a better decision to contemplate would be the return of a maximum leverage of 400:1 instead of this insulting limitation on our freedom to trade as we so choose.

I sincerely hope that enough people voice their outrage over this proposal as I have, so that a big mistake might be avoided.

Thank you for your time,
e. Smith