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Sent: Saturday, January 23, 2010 12:08 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

To the secretary:

In regards to the proposal of CFTC on Forex brokerage and leverage regulation, I strongly disagree and object to the new proposal ruling.

Reason is

1) For trading is all about risk vs reward. For leverage 100: 1 , with \$1000 margin, at 100 times leverage, you would make \$1000 on a 100-pip profit in EUR/USD .

But if is only 10:1 profit will be only \$100. This is a lot as 10% of your trading capital is involved .

For forex traders, we go for smaller movement of the points like 10-20- pips instead of 100 pips example I have mention above. With this , it become no longer worthy for the risk that I will be taking.

2) Forex trading is not like stocks trading which can be view as long term investment tool. Forex traders are actively trading very short time period, in and out of the market at an instant. Therefore leverage give our flexibility and meaning profits for the time and effort and risk we undergo.

I seriously do not wish that the new proposal regulation will come into play as it will affect the whole US retail forex trading market. When domestic retail traders do not enjoy the leverage advantage here in US , they will find that foregin based brokeage more attractive and pull out money from US to other country which in this economy is like adding an extra hit/ blow.

In conculsion, I wish that the goverment will come out regulations that will attract foregin investors and thier funds back to US instead of replusing foregin and domestic investors/traders away for the US. And that will be a proactive movement (in my opinon) by the goverment for market recovery.

Andrew