

From: Aldo M N De Gennaro <dege@polka.co.za>
Sent: Saturday, January 23, 2010 1:14 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex RIN3038-AC61

Retail Forex trading with limited gearing logically impacts the amounts 'retail traders' may trade with and commit.

By limiting gearing the practice will become less attractive. Naturally the 'benefits' are less severe losses however the individual entering into such dealing should be educated and competent to have understood the implications of entering into in to highly leveraged trading and have a suitable risk suitable risk profile. The reason for the the high gearing is the underlying attraction which enables individuals to achieve similar risk/return outcomes with a small percentage of funds relative to institutions and banks.

If this is a means to limiting losses then a better method would be a pre suitability of the the individual whereby understanding and education is displayed and to some degree a transparent risk profile is provided.

Ultimately the decision should lie with the individua and to limit gearing would certainly reduce retail forex trading numbers