

From: Vamshi Krishna <che.vamshi@yahoo.com>
Sent: Saturday, January 23, 2010 1:39 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Secretary,

Ref: RIN 3038-AC61

Curbing the leverage limits from 100:1 to 10:1 would dampen the interest of retail investor's interest in forex transactions. Decreasing the leverage to retail investors would not reduce the problem of risk. The participating intermediaries should play a proactive role in educating the risk potential involved in the transactions. The intermediaries' commercialisation in sharing the research related information with retail customers is one of the causes for maximising the risk of retail investors. Investors acting without information is the main cause for loss in forex transactions. Unexpected changes in the trend is the prime cause for losses, reduction in leverage would increase the potential for losses. The move towards reduction of leverage would add more problems to the existing problems instead of reducing, would reduce investor's interest in forex market.

Hoping that the leverage levels would not be reduced and sharing of information by intermediaries would be increased.

regards

Vamshi