

From: Charles Baynham <charles.baynham@queens.ox.ac.uk>
Sent: Saturday, January 23, 2010 3:45 PM
To: secretary <secretary@CFTC.gov>
Subject: Pending CFTC regulation change: Regulation of Retail Forex

To Whom it may concern,

As I am sure you are aware, your organization has proposed several changes to the regulation of retail forex brokers in the US. There are several positive points including compulsory registration for brokers. However, I am writing to you in respect of one misjudged point which could severely damage the forex industry.

Amongst the other proposals, there is one to limit the maximum allowed leverage in currency trading to 10:1. I am sure that this was put in place to protect customers who might otherwise accidentally choose the wrong leverage and lose money. However, with these new regulations in place forex trading as is currently is will cease to exist in US brokers. This will surely result in many people moving their money offshore, and therefore significant damage to the forex industry. I for one have forex investments in the US, but should this new rule come into effect I would be forced to relocate to another broker. I know that many other traders feel the same way as I do.

Please reconsider this regulation change, as I and many others feel that it would cause major detriment to both the US trading industry and to traders themselves wishing to invest within the US.

Kind Regards,

Charles Baynham

Oxford University, UK