

**From:** ravenflight@mweb.co.za <"ravenflight@mweb.co.za">  
**Sent:** Monday, January 25, 2010 3:43 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of retail forex

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Dear Sir/ Madam,

I have read with much dismay that retail forex traders are facing some radical changes in the way we may or may not trade in the future. I see that the proposed regulations aim to limit the amount of leverage in a trade from a possible 400:1 down to 10:1, I need to ask a few questions as the details do not make sense to me or anyone on the many forums we participate in:

- The proposed regulations will bring the maximum retail forex leverage to a very limiting 10:1, yet the much more risky futures markets are still allowed to trade at levels that state up to 500:1 leverage. With all being equal we need to look at all the angles and understand that investments can never be seen as "risk-free" or one being better than the next, it's not in the best interests of a free market to dictate or even regulate trading and investments. The true measure of a free market democratic government is in their ability to allow free investments from the public yet to not allow Wall Street to have free reign in the bonuses paid as this will forever be the bane of many people. Allow the man in the street to make money, do not penalise smart investors to protect poor investors, this scenario will never go away no matter how much you regulate ANY market.

I make a living from retail forex, I trade smart and I use 100:1 leverage. I do have a very specific money management programme and I apply this religiously, no matter what. I am successful because I chose to educate myself about the risks and the benefits of trading retail forex. The reality is that with the "proposed" new 10:1 leverage etc. you will see an exodus from the US market and the immediate closure of so many brokers it would create havoc as the jobless will count in the thousands. I support good governance, I support protection of consumers as good governance should include mechanisms to allow the public to invest with confidence as the brokers are all kept in line. I do not support being regulated and being placed in a position that means my good planning is now wiped out in favour of regulations that may be brought into life for the wrong reasons. The loss of investors from the US stock markets show a reality we all live with and will for some time, these chaps will not return because of negative pressure in another area, they will return when the conditions of the overall economy picks up and allows for growth and sustained profits. Making the retail forex market a scapegoat or a villain will not solve any issues, in fact if you look into the reality you may find that this particular segment of the market has so many influences and sub-markets that may need more investigation.

Many people make a daily living from the retail forex market, we are all honest people with one goal to make life better for us and our families, please consider all the options and the real reasons we are under fire. We need to operate in an environment that is free, anything else will seem and may even look like we have lost our freedom and we are heading for a communist state, this is not why many people have lost their lives for. Do we bend for communism or marxism? If so please advise all of us in advance so we can disinvest from anything connected to the USA and the US\$.

I trust you will consider all the angles as this issue affects so many people.

Many thanks for allowing me to voice my opinion.

All the very best,

Ian le Grange