

From: Jeff Montgomery Jr <jeffmontgomery5@gmail.com>
Sent: Tuesday, January 26, 2010 10:35 AM
To: secretary <secretary@CFTC.gov>
Subject: Forex Leverage limitation

Dear Mr. David Stawick,

My name is Jeff Montgomery Jr. I have been trading on the Forex market for over 3 years now. I was recently informed of the CFTC's proposed regulation of limiting the Leverage to only 10:1. In my opinion that would be a very poor judgment call on the part of the CFTC. I am assuming that the reason for the limitation is to possibly try to help guard against major losses for inexperienced traders. Allow me to share my thoughts with you on this matter. By limiting the leverage to 10:1, you would negatively affect all of us experienced traders who trade for a living because we would now make significantly less profit, which not only takes away our livelihood but will also decrease the commissions collected by the brokers that we use as well as the taxes that we pay, because we would be making a lot less money. For those traders less experienced than myself, every broker has a demo account for them to practice until they are ready to start using real money & be profitable. If they choose to open a live account & trade inexperienced & unprepared, that is their choice & they understand the risks involved. It is their responsibility to decide what to trade & what to leverage. The brokers I use allow me to set my leverage. So if I choose I can decide to only risk 10:1 instead of 100:1. I was disappointed when they did away with 400:1 & limited me at 200:1. If we are limited at 10:1 I will be very upset. It should always be up to the individual trader how much they are willing to leverage & risk, not anyone else. The CFTC needs to stay out of this & quit putting restrictions on trading. If someone comes in & starts trading willy nilly & loses money, that is his fault & no one else's. Do not punish those of us who actually do our research & study & learn so that we can be successful traders. Lowering the leverage rate will hurt more people than it will help anything. Thank you for taking the time to read my thoughts & please consider carefully the implications of this decision.

Sincerely,

Jeff Montgomery, Jr.

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