

**From:** gurpalchagar@hotmail.co.uk  
**Sent:** Tuesday, January 26, 2010 1:23 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Comments on proposed Regulations on Retail Forex Transactions - RIN 3038-AC61

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Hi all,

Hope you are well. In response to RIN 3038-AC61.

As a Forex trader for the past year and a half, I do agree that there should be tighter regulations on certain forex brokers for sure as you have described in your proposed regulation.

However I do not agree with new proposed leverage of a maximum of 10:1 that has been quoted in the proposal. As in my opinion this would mean that a lot of small traders would not be able to trade as effectively. The knock on effect of this could be numerous traders taking their capital out of the US market, thus leaving the US banking system, to brokerages based in different countries where the leverage is more workable for them.

Thus I agree with the proposed regulations, however I would like to suggest that wouldn't it be more reasonable and workable to provide a maximum leverage of 50:1.

Thank you for reading

Yours Sincerely

Gurpal Chagar