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COMMENT
CL-00430

From: Neil Smith <n5eil.neil@gmail.com>
Sent: Tuesday, January 19, 2010 10:05 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

ID: RIN 3038-AC61

Dear Mr. David Stawick,

I am writing you today regarding the invitation for public comment about the new regulations on retail forex. I encourage you to keep the current regulations where they currently are. A limit of 10:1 leverage will prevent almost every 'full time' personal trader like myself to be cut out of the market.

I am a 21 year old college student that, up until the new hedging regulations in August, was able to trade Forex for a living, which in return paid for my education. I didn't have much money to start out with, but after trading Forex, I was able to lead a great life. When the new regulations went into effect in August of 2009, it destroyed my ability to make money. Without the ability to use 400:1 leverage, and Stop/limits, it threw me off. It subsequently lead to my having to take time off college because I couldn't afford to pay my tuition, and put me back into the job market pool, in less than a month.

I can tell you from being in the forex community for so long, that most of the full time traders rely on 100:1 leverage, and 10:1 only is suitable for big banks. The only reason I could ever see enforcing a 10:1 leverage would be to purposely cut the individual FX trader out of the US market. In return, every mid level trader that has more than $5,000 will leave US brokers for brokers in the UK to avoid these new regulations. This regulation will most likely cut a large source revenue out of the economy.

The level of Risk that a trader is willing to take is up to the trader. Good traders don't trade the market, good traders trade the risk.

Regards,
Neil Smith