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Sent: Saturday, January 30, 2010 11:37 AM
To: secretary <secretary@CFTC.gov>
Subject: RIN 3038-AC61

There is really no reason to change the leverage from 100:1 to 10:1. Investors and traders should be allowed the freedom to manage their own risk. This is a free market. Besides there is already a protection of not allowing the investor to go negative.

I am currently trading very successfully for over two year. The method I developed depends on the leverage. It helps a lot knowing that I have the flexibility of having 100 to 1 even I never come close to using it all.

By keeping the margin 100:1, it gives people who don't want to risk a lot of money in the market by not having to deposit a lot of money in the market an opportunity to invest in the market. Great thing about Forex market is you only risk what you put in because you can't go negative. By keeping the leverage at what it is allows the individual who may want to risk lets \$500 a chance to invest in the market and still be able to make a nice amount of money.

I started with an account with very small amount of money and I built it to a nice size. This was done because of leverage. Even though I depended on the leverage, the reason of my success is I used proper risk management.

The key to investing and trading is proper risk management. People who use proper risk management are successful and those that don't are not. It should be up to the individual to learn and us proper risk management. The great thing about the market is that it tells you when you are using it improperly. Best thing is to let the market decide. Let it be free.

I understand where the CFTC is coming from when wanting to reduce the leverage. But dropping it from 100:1 to 10:1 is too drastic. I would say 50:1 is a decent amount. A solution is make the forex brokers have new investors sit through a class of risk management with the high leverage. Another solution is give out leverage based people's experience. A way to keep track is give the higher leverage to NFA registered people and those who don't a more restrictive one (lower one). Finally the last possible solution is limit the leverage based on the volatility of the currency pair.

Thank you for taking the time to read my suggestions

John.