

**From:** Josh Taylor <nlitnd1isalooof@yahoo.com>  
**Sent:** Saturday, January 30, 2010 4:45 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Give it up!

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Dear Secretary,

Please give up trying to "fix" the foreign exchange markets. They operate just fine. We have been told over and over again by "officials" in the gov't and the Fed that the market moves of minor players like me as they act within the FOREX market on a daily basis have no real effect of the actual position of the dollar at any one point in time because the market is vast. The fact that you are pursuing the current strategy to eliminate minor players from the market by making margins unachievable on standard monetary contracts flies in opposition to the above story. This is the only reason I can think of for such aggressive moves against individuals taking risks. You certainly aren't protecting brokerages and that's the only other reasonable option. Minor market players like myself do nothing to upset the Fed in their daily efforts to stabilize the dollar around the world for international trade.

I believe that the current efforts you are undertaking have unveiled something rather devious. There is an awareness but some who pay close attention to the markets that the very recent, excessive run-up in the U.S. national debt has shown a "delayed" effect on the dollar world-wide. In other words, it hasn't been felt yet. This can only be answered by one condition; collaboration between the Fed and Foreign central banks to maintain the dollar at an expected level for a short period of time so that countries friendly to the U.S. owning U.S. debt can cover or sell the majority of their positions without taking it "in the shorts." there is a VERY strong political reason for doing so in that we maintain high levels of "good faith" with those with whom we are friendly as the dollar is finally allowed to slide. Once the slide is over and the Fed confirms to the foreign entities that the new levels can be maintained, purchase of US debt "in good faith" can resume. Meanwhile, US citizens take it horribly "in the shorts."

One thing remains true no matter what the politics, when gross negligence in the management of any economy (micro or macro) takes place, somebody has to take it in the shorts. It won't be our Foreign friends. Their wallets are too big and too dependable. Mine, a U.S. citizen, isn't worth considering.

After all this, I see one thing coming to fruition. Your organization will take a position to raise the margins significantly and keep small players out for a while. After all, the fact that you are pursuing this position signals that we DO IN FACT have an effect of the largest market in the world. Once the slide begins, we can't have all the little people adding to the momentum now can we? recovering from an excessive fall is expensive for the Fed, and the gov't but not "the people" in general who would enjoy for a time an extremely appetizing market for generating jobs and business because the dollar would be so incredibly cheap that our products would be irresistible. The draw-back to doing this all the time is that we loose the "good faith" we have established with our foreign friends and loose investment in-flows from outside the US, so it's not even a good counter-argument. If your organization does not take this position, then I now know what's coming for the dollar, and it's coming very soon. If your organization DOES take this position, you hold it for short time just until the Fed and foreign central banks adjust the dollar on the slide and then, Wow! what do you know? now that the market has taken a slide we were all anticipating and the Fed signals quietly that it's over, we can change the leverage back because of the "danger" it has done to the industry, which we could NEVER have been foreseen ("say it isn't so!").

Please don't make the margins unattainable. The market, it's investors, brokers, and the economies they reflect are in no danger from margins being at current levels. You aren't helping or protecting investors

by doing this. Only the Fed.

respectfully,  
Josh Taylor