

**From:** B&S Cape Town <info@farmquip.co.za>  
**Sent:** Thursday, February 4, 2010 2:42 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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RIN 3038-AC6

To whom it may concern

I am a South African citizen with a retail forex account in US. I am currently member of a Live Trading room and enjoy consistent results. This is partly due to myself managing risk via lot sizing and money management techniques. Although I am able to trade larger lot sizes I actively manage risk in all open positions as I see fit. The new proposal of 10:1 leverage restriction will violate my ability to manage my portfolio of trades effectively given the strategies that employ. This after a recent 100:1 restriction was put in place - did they make a mistake?

I feel strongly that the reduction of leverage will make US retail FX accounts very unattractive for new and existing retail FX participants. This will most definitely result in job loss and capital flowing out of the US to more attractive brokers (and even unregulated ones!). There is already brokers mentioning that they will drop all US clients if the new proposal comes into effect. If regulation needs to be increased why not rather focus on educating prospective FX participants? Does the average FX client need to be protected from themselves?

I feel that the FX offers disadvantaged individuals (because of the "Big Dogs") to effectively participate in the FX market and to profit from it. Like any business there is risk involved - but within reason it's the owners (read FX retail client) responsibility to manage his own risk.

Hoping for your positive consideration.

FX Trader  
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