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To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC61

Hello,

I've learned of this survey from Gain Capital website. I'd like to express my opinion on the matter of regulatory cap on forex leverage as a professional trader of futures and for the past 8 years forex instruments.

The first regulation, which limited the leverage to 100:1 made no sense in my opinion, because it is mathematically provable that 100:1 leverage cannot be profitable and the trader using it will lose money in the long term. Leverage has become a marketing tool for forex brokers the appeal to customers with limited capital and sometimes intelligence.

That said, I understand the idea of regulating the leverage to "protect" the consumers, however I've always opposed the elimination of choice regulations because personal taste should never be questioned if wrong choice means only harm to yourself. The problem is that the uneducated majority is being exploited by the brokers, however I believe the leverage is just a grease for the money making machine and simply accelerates things up - in other words the people who need to be protected by these regulations will lose money anyway, it will just take a little longer. If this seems like an overstatement, try searching "forex leverage" on google....the first result is sufficient to educate anyone with reasonable intelligence on the matter and protect him/her from being cought by the leverage lure.

The above is my opinion and I'm sure it won't prevent you from imposing the regulation anyway, so back to the matter. I'm personally using 1:10 to 1:20 leverage in my everyday trading and I'm making money consistently. Anything beyond that decreases the chance of survival without sufficient capital to resolve potential account wipe-outs. I'm sure all reasonable investors won't care if you cap the leverage to 1:20. 1:10 limit would force some, including me, to move their investment accounts abroad and continue trading with their favorite leverage. In todays interconnected world and unprecedented competition, moving to other country takes about 15 mins of time.

The bottom line is, regulation which limits personal choice is always evil, if it happens to disturb the group that it's not supposed to regulate, they will find a way around it...always...no exceptions.

I wish you luck with your work,

Regards,
Marc Fisher