

From: john schmidt <jdangerously123@yahoo.com>
Sent: Friday, February 5, 2010 10:56 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Mr. David Stawick, Secretary
Commodity Futures Trading Commission

Mr. Stawick:

I am much concerned about the proposed increase in margin requirements for the Retail Forex.

I object to this proposal for a number of reasons.

I personally have received exemplary training in Forex trading. One rule that has been drilled into my head and trading plan is: "Never risk more than 2% of your account on any one trade, preferably only 1% should be at risk." I have this rule prominently displayed on my desk and remind myself of it throughout each day, especially if I get the urge to "hit the big one." It is a matter of discipline and I am reminded of it regularly, even at our User Group meetings.

If people insist upon using inappropriate money-management techniques, then no governmental regulation will stop them. With a 10:1 rather than a 100:1 leverage, those same people will just fritter away their accounts that much more quickly. And then they will be screaming even louder for help from the government -- for their own stupidity.

You are aware, of course, that brokerage firms in the United States will move their businesses offshore if this regulation is implemented. Since many, many individuals have taken up Forex trading in recent years, this shift can have a devastating effect on the economy here in the U.S. I am sure that adding to already-existing economic problems with this regulation is something you would like to prevent.

By retaining the existing margin requirements you will be contributing to a positive cash-flow tax base. Local economies and the IRS will thank you.

I would appreciate your consideration of my remarks in your decision-making process.

Thank you.

Trish Schmidt
USA