

From: khaled hashem <khaled.hashem@yahoo.com>
Sent: Friday, February 5, 2010 4:32 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sirs,

I am customer of FXCM LLC, account# 2088048217.

About the proposal of limiting the leverage included in 'Proposed Regulation 5.9 Security Deposits for Retail Forex Transactions', I totally disagree.

The risk warning of 'Leverage is a double-edged sword. The high degree of leverage can work against you as well as for you', I read it as follow 'Leverage is a double-edged sword. The high degree of leverage can work for you as well as against you'. I mean that I see that high leverage is a neutral factor which is reflected in the sentence of 'Leverage is a double-edged sword', and gains are preceding losses.

On the other hand, the high leverage provides a unique opportunity of realizing gains which are not provided by any other market.

About the risks of high leverage, it is the concern of the trader only. He/She must be aware of what he/she about. He/She must be well prepared, well trained before starting trading, which is his/her responsibility.

With all my respects to all regulatory agencies as CFTC, NFA and FINRA, their duties are to organize and to watch the markets to be sure that laws are applicable & protect the markets parties from illegal actions like fraud or something.

In conclusion, I see the best to be done is to:

- 1- Keep the current leverage levels as they are.
- 2- Limit the losses to the extent of the funds of traders accounts not more.
- 3- Enforce clear and strong risk warnings, especially on the forex dealers sites and their advertisements on the net or any other media.
- 4- Watch and supervise the market very carefully to prohibit any illegal action.

Best regards,

Khaled Hashem