

From: Muhammad Zafar <zohaib_shaikh@hotmail.com>
Sent: Friday, January 15, 2010 7:47 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex-Identification Number RIN 3038-AC61

Dear Sir:

This is regarding CFTC's proposed rule having identification number **RIN 3038-AC61**. CFTC has proposed the subject mentioned rule because it wants to limit leveraging for retail forex brokers/traders to a maximum of 1:10 (it means the retail traders must have at least 1 unit of currency to trade 10 units). I am afraid whoever has initiated this proposal has no knowledge of forex trading and if he knows then his intentions should be thoroughly investigated. I think this proposal will only deprive the government of the large tax revenue collected from retail brokers and other stakeholders. These tax collections will ultimately go to other countries because forex brokers will move there for the sake of bigger leverage. Secondly, it would also contribute in increasing the unemployment, which is already touching 17% because a lot of brokers would not be able to run their businesses due to this utter nonsense rule.

I leave the search for pros & cons of this rule at you and request not to even think of implementing it for good. By the way, rules for forex industry have already been made quite strict in USA.

Regards,
Muhammad Zafar Sheikh

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