

From: byron griffith <brgriffith@gmail.com>
Sent: Tuesday, February 9, 2010 10:24 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

CFTC:

As I understand the text of the section of the new rules published by the CFTC under Part 4, paragraph 4.12 "Exemptions from provisions of part 4", it would effectively limit leverage in retail forex transactions to 10:1. I am writing to voice my strong opposition to this rule change.

There are many retail forex traders like myself who do not have the capital to increase our accounts 10-fold in order to keep trading successfully in the forex market. I understand that many retail traders, especially those new to the market, have lost enormous sums of money for a variety of reasons including inexperience, lack of training, and poor risk management. The proposed rule change would help protect imprudent traders from risking too much capital in the forex market. However, it would also limit the ability of prudent traders to be successful in the forex market. Additionally, this rule change would force many small account traders like myself out of the market altogether, while allowing the large account holders to continue trading. Worst of all, this rule change would eliminate one of the last markets available to small investors/traders in the US who do not have the capital or desire to trade in other markets.

Please understand I do not hold my position on the rule changes because I have been enormously successful in forex trading. I have not been. I have lost some money. But I know the risks involved, my trading performance is steadily improving, and I see this as an opportunity to supplement my income in one of the worst economies the US has experienced since the Great Depression. I do not need or want the federal government to limit my ability to participate in the retail forex market in order to protect me from myself. Furthermore, the vast majority of my fellow small-account traders feel the same way. In fact, I have yet to hear a single vote of support for the proposed rule changes.

Therefore, I urge the CFTC to eliminate the proposed rule change specified above and allow retail forex traders to continue to decide for themselves how best to manage their own capital.

Sincerely,

Byron Griffith