

From: Peter Beardsley <peterbeardsley1@gmail.com>
Sent: Tuesday, February 9, 2010 11:16 AM
To: secretary <secretary@CFTC.gov>
Cc: Gabriel Forest <forestgabe@gmail.com>
Subject: Regulation of Retail Forex

Dear CFTC,

In reference to the proposed regulation of retail forex to reduce leverage from 100:1 to 10:1.

RIM 3038-AC61

I would like to voice my opposition to this move.

I see that you are aiming to protect the public from the market, however I would say that this is impossible to do. The trader who trades unsuccessfully @ 10-1 leverage will loose his money just as the one leveraged at 100-1. The only difference is that the less leveraged trader will lose his money at a slower rate.

Success in this business is based on protecting capital. If this is the skill you want retail traders to develop, then why don't you impose a regulation where as new traders are limited to a reduced amount of leverage for a trial period and work with retail brokers to build software that communicates risk and track record on a regular basis to the novice.

Reducing leverage punishes the successful traders, creates a barrier for intermediate traders by increasing the cost of business (traders will have to cough up more money to trade) and it gives the brokers more of our money to secure their business.

As the economy as it is, retail trading has opened the door for people to build a profession where the industry was much more exclusive.

Please reconsider this policy and it's implications on the retail investor.

Peter Beardsley
FX Trader

I