

**From:** Peg Bunke <pbunke@rcn.com>  
**Sent:** Tuesday, February 9, 2010 11:56 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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I appreciate your efforts to strengthen the safety of our US financial institutions. It is something I expect our government to do, and in the recent past it has fallen short of my expectations.

One thing I don't appreciate, though, is this regulation's attempt to reduce the leverage available in the retail forex market.

I trade the forex market. I use risk management to reduce my risk of unexpected large losses. I use stop losses on every trade and move the stop losses up as my trades become profitable. Yes, I have losses. I expect them. You cannot trade in any market without losses, but you can be profitable regardless of account size if you use proper self-imposed risk management.

To reduce leverage to such an extent would limit the availability of trading this market to those who are relatively wealthy or those who risk placing their accounts with a foreign broker. US brokers will lose business, and some of us will incur the added risk of placing our accounts with foreign brokers, where our money may not be as secure.

I have a relatively small forex account, but I am able to make enough to supplement my pension and pay my monthly bills. I have been trading this market for a long time and do quite well. Why would you take that ability away from me?

People who trade are adults. Adults assume responsibility for their decisions. Brokers should be encouraged to educate their new forex traders so they understand the risks in trading this market. One look at the market swings over unexpected news should be enough to convince anyone that you must exercise proper risk management. If the market moves very fast, there can be slippage when your stops are passed. But how much to risk in this market should be the trader's decision, not the government's.

Please rethink this idea about the reduced leverage for everyone. Instead, consider educating the new forex trader. Require some time demo trading the market and perhaps a few months of trading live with reduced leverage before the new trader can opt to use the higher leverage. If the real concern is about the money being made on the very large trades, reduce the leverage on those trades.

Margaret Bunke