

From: Greg Gianoni <greg.gianoni@gmail.com>
Sent: Wednesday, March 3, 2010 8:28 PM
To: secretary <secretary@CFTC.gov>
Subject: Concerning Leverage Cap

To Whom This May Concern:

I understand there is much controversy in regards to whether or not the leverage cap should be changed to 10:1. I am new to the currency markets but have been trading equities for a few years. I have a degree in economics and finance from Bentley University and am a financial advisor. It is my belief that if the leverage were changed, the market would become illiquid. many people would discontinue trading because the potential for profits is much less. This would give way for institutional investors to more adequately manipulate the markets. A decrease in private investors will mean less commissions from the spreads of trades for companies such as forex. As private trading decreases, these companies will make less money, resulting in less revenue, forcing a cost cut and potential layoffs. At a time when we should be creating jobs, we would be doing the exact opposite. The only good reason to change the leverage would be to take the risk off the table for people that invest too aggressively. This could easily be diverted by slightly increasing the margin and forced stop losses in people's accounts. Although I would also be against that, it would be much more effective and less destructive than adjusting the leverage ratio.

I appreciate your time. If you have any questions or comments feel free to contact me via this email address.

Regards,

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Gregory J. Gianoni
Bentley University Alumni
Economics-Finance
Law & Psychology Minors
Tel: (860) 384-2582
Email: greg.gianoni@gmail.com