

From: Steve Cushway <scushway@comcast.net>
Sent: Thursday, March 4, 2010 12:49 PM
To: secretary <secretary@CFTC.gov>
Cc: support@forex.com
Subject: Regulation of Retail Forex

To Who It May Concern,

I have just recently discovered proposed regulatory changes to the use of FOREX leverage. I'd like to respectfully provide my opinion on the proposed change from 100:1 leverage availability to a 10:1 standard.

If this change should take affect, I feel that the FOREX market could be negatively impacted. Small investors who are astute and bring experience to the marketplace are likely to become dissuaded from participating due to higher minimum requirements and lack of profitable opportunities and strategies. Liquidity and volume for FOREX would be likely to dry-up. Lack of liquidity generally results in higher costs which will then be passed (absorbed) by those remaining investors active with the new leverage rules. A lack of liquidity may also adversely impact and influence other market pricing asset classes such as interest rates on sovereign and corporate debt issues, precious metal commodity spot and futures pricing, etc...

If an investor CHOOSES to modify their leverage down from 100:1 to a risk tolerance that is more appropriate and palatable to their objectives, they should have the CHOICE. It should not be mandated, as this would in fact hinder the idea of operating a free and fair capital marketplace.

A dramatic change in how leverage is used, in my opinion will most definitely cause a negative impact on this market and potentially other related markets. As the CFTC body continues to perform due diligence on this proposal, please consider the long lasting impacts that may come with the adopting and implementing the proposed leverage standard.

Thank you for your time.

Sincerely,

Steve Cushway