

From: Matt Johnson <MJohnson@cytradefinancial.com>
Sent: Friday, March 5, 2010 9:41 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC61

I am a professional in the US Futures industry, and I am writing in regards to the proposed legislation to reduce the maximum leverage for retail forex traders to 10:1. While I personally do not offer forex trading to my clients, I think this proposal is not in line with other practices within the futures industry. If you look at the foreign exchange products traded at the CME Group, the current overnight margin requirements are approximately 40:1 leverage. This example was based on the current Euro Currency futures margin rate. While I agree that some of the practices of 100:1 or even 200:1 may be excessive, any regulations to reduce this leverage should be in line with what is currently available in the futures market. I'm sure the CME Group would love to benefit greatly from a reduction to 10:1 in the forex market, but clearly this would not be fair.

Regards,

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