

From: Joseph <JVD705@msn.com>
Sent: Saturday, March 6, 2010 1:59 AM
To: secretary <secretary@CFTC.gov>
Cc: JVD705@msn.com
Subject: Regulation of Retail Forex

Re: RIN 3038 - AC61

As I understand it, the US Commodity Futures Trading Commission recently proposed changes to the Forex market that include reducing the current leverage available to Forex traders from 100:1 to 10:1.

I am writing to voice my opinion, and strongly object to, in particular, the reduction in leverage being proposed.

In the past year, first a change was made that requires Forex traders to now adhere to a FIFO regulated trading policy, as opposed to simply a ticket based policy of trading. Then, a change took place which only permits Forex traders to trade with a maximum 100:1 leverage, as opposed to the previous 200:1, and even 400:1 leverage previously offered. And now, a reduction in leverage to a maximum 10:1 is being proposed? This would be a disaster to retail traders, such as myself, as well as to US based Forex brokers.

Although I'm not in agreement with the aforementioned FIFO and 100:1 maximum leverage changes, I've adapted to these changes, and have modified my trading methodology accordingly. A change to the proposed maximum 10:1 leverage, however, would make it virtually impossible for me to continue trading with my US based brokers! Essentially, I'd have no choice but to move my Forex accounts to offshore based brokers, such as the United Kingdom and/or Australia, where FIFO regulations and unreasonable 10:1 maximum leverage limitations do not exist.

I just cannot understand how the proposed leverage change benefits me, US based brokers, and the US economy in general?

I appreciate the protection the CFTC provides, but I appreciate my freedom of choice as well.

In closing, I urge you to reconsider your proposed leverage reduction change and allow retail Forex traders to continue trading with the current maximum leverage allowable, 100:1.

Thank you.

Joseph V. D'Amico

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