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Sent: Tuesday, January 19, 2010 4:21 PM
To: secretary <secretary@CFTC.gov>
Subject: CFTC leverage

Hello,

As a Forex trader I am aghast any plans to limit retail forex leverage to 10:1. People will just open accounts overseas and get the full leverage and people who work in this industry in the United States will lose their jobs. This will also have an impact on the US dollar and will reduce US tax collection as many foreign governments don't report earnings.

Thus 10-1 will basically cost thousands of US Jobs and hundreds of millions in tax revenues. Is there any sign of intelligence running the CFTC or are you all just a bunch of idiots? Seriously! If the goal is to reduce the odds of new traders losing all their money then you should have a graduated leverage based on capital in account. Under \$2,000 give traders 25:1 or up to 50:1 and for accounts over \$5k or \$10k give the entire 100:1 leverage. It's only the traders with a few hundred dollar accounts you should hit by this stupid rule. Leave the professional traders alone with the leverage they need. Any good trader risks no more than 2% of their account and if you're a scalper doing multiple trades at once THIS RULE WILL HURT their money management algorithms and thus cause the very thing you hope to prevent, LOSSES.

Another solution is to HARD CODE maximum losses of 50 pips. I personally limit my losses when wrong to 10-15 pips max thus trading more lots and when I'm right my trades go 25 to 100 pips. Cutting leverage drastically will change how I trade, that is until I open a foreign account which EVERY experienced trader will do. This rule is idiotic and I'd like a response as to the reasons behind it?

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