

From: Bob Smith <rs.quark@gmail.com>
Sent: Saturday, March 13, 2010 11:36 AM
To: secretary <secretary@CFTC.gov>
Subject: leverage in retail Forex

David Stawick, Secretary
Commodity Futures Trading Commission
1155 21st Street, N.W., Washington, DC 20581

Dear Sir:

I am a retired police officer and I currently trade Forex. I have heard that you are seeking input about a leverage change in the retail market. At the 100:1 leverage which I currently trade 1 lot (\$100,000). My normal trade is 1 lot with a 10 pip stop loss and a 10 pip take profit which means I can make, or lose, \$100 on any given trade. With a 10:1 leverage I would be forced to make more trades with a smaller lot to get the same daily profit. I do think that the leverages over 100:1 common to the off shore brokers take advantage of the new traders but the 100:1 is quite reasonable for an experienced home trader. Rather than changing the leverage why don't you create an educational program that all retail traders must pass before they can trade? It would protect the new trader and creat jobs in the educational sector.

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I think individual responsibility is the foundation of a free society.

If enough politicians tell the same lie often enough, the people will eventually believe them.