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Sent: Sunday, March 14, 2010 9:23 PM
To: secretary <secretary@CFTC.gov>
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Subject: Objection to reduction in forex leverage

I am informed that there is a plan to reduce leverage on foreign exchange trading in the US from 100:1 to 10:1.

This seems to assume that forex trading has the same level of volatility as share CFD trading, which is far from the case. It is quite common for a share price to move 5% in one day, whereas a daily currency pair move of 0.5% is considered large. Forex leverage of 100:1 is therefore similar in risk to share CFD trading at 10:1 leverage.

A forex leverage of 10:1 would reduce the return on my investment by a factor of 10, and I would immediately be forced to transfer my business to a broker in another country.

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