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Sent: Wednesday, March 17, 2010 6:16 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC61

Secretary Stawick,

I received an email from a Forex broker advising me of the proposed change to 10:1 leverage and asked that I email you with my disapproval. **On the contrary, I agree with the proposal to change the leverage ratios.**

Individual investors are being led down a path telling them about quick and easy profits in Forex, the ability to make 10-20% daily on their investments, and are being fed "expert systems" that promise tremendous results and fail to deliver. Some of this happens by mail, TV or radio, but most of the recruiting occurs on the web.

Others operate online trading rooms in which room operators supposedly call out live trades, with calls suspiciously announced late after currencies make a move, claimed unannounced exits at tops after a reversal, etc.

With 100:1 leverage (and some brokers offering 400:1), a 50 pip spike can cost an investor 50% of their position (or a 25 pip move at 400:1 can wipe them out completely). With brokers - US and abroad - notoriously "stop hunting" and spiking the market to take out stops, wild fluctuations and the like, a tremendously negative shadow has been cast on the industry.

With 10:1 leverage, investors must do that - invest. It removes the insane levels of leverage that have ruined most small investors. I do not know if the brokers, "advisors", operators of live trade rooms and the like are less regulated than the rest of the securities industry, or they simply behave that way, but whichever the case, investors need to be protected - both from the brokers as well as themselves - and I would consider 10:1 leverage to be more than reasonable.

I applaud your efforts and look forward to a more stable and regulated currency market.

Thank you

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