

From: Peter Daliouris <pdaliouris@gmail.com>
Sent: Wednesday, March 17, 2010 8:59 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RE: RIN 3038-AC61

Dear secretary,

I am at a loss of words at the proposal that will require retail FX dealers to limit leverage to their clients to 10 to 1. This will have no positive impact on the fx market and frankly I do not believe that much thought has been put into this proposal.

Firstly, you can immediately expect that accounts currently in the U.S. will go offshore. Have you thought how this will impact the industry? It is definitely not going to protect fx traders is it?

You can expect the instances of fraud to skyrocket and thus unregulated dealers will thrive on this decision. These dealers will take full advantage of this ludicrous regulation and operate without any capital adequacy requirements, proper risk management, above board dealing practices or any ethics.

You will be essentially signing off on US losing millions of dollars in trade revenue and the loss of employment of many well educated professionals that hold this industry together as brokers, dealers, software developers are forced to close down.

Your claimed objective will definitely not protect the retail trader but rather force them to go offshore or not trade at all.

Those who are responsible for this proposal have clearly not taken into consideration all the ramifications. It is quite astonishing that this has even come close to being approved.

As a trader, but moreso an educated individual I would expect to be able to make my own decision on what risk I want to take with my funds. I do not appreciate being limited to a leverage that will severely impact my earning capabilities and also that of others thus impacting the money flow volume in foreign exchange. I can tell you this. I will be going offshore if this is ever approved and trust me, there are many others that will be doing the same thing. Foreign brokers are salivating at the thought this may be reality.

At the end of the day, the US economy is what will suffer the most at the hands of this ludicrous proposal.

Regards,

Peter Daliouris