

From: William Siu <williamsiu123456@yahoo.com.au>
Sent: Wednesday, March 17, 2010 9:31 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex (ID number: RIN 3038-AC61)

Hello,

I have read that CFTC is seeking public comment on the proposed regulations concerning Forex trading. (Identification Number: RIN 3038-AC61)

Although I am Australian citizen, I intend to trade on the internet, with an USA based online Forex broker.

On the one hand, I think it is good to maintain minimum capital requirement for retail brokers, this I assume to ensure security and stability.

However, I disagree with tinkering with the leverage allowed for the retail traders themselves. Speaking for myself, I believe individual traders should be responsible for deciding the risk-reward level for themselves. In a free capital system, too much government hand-holding, no matter how well-intentioned, can only lead to stagnation in the market. After all, I believe it is very easy for traders in US-based brokers to simply move their accounts offshore. But these off-shore brokers do not have the same security and regulation as those in the USA do. I predict you will only find (1) retail forex trading funds migrate to other nations; and (2) increase of overall retail forex losses due to scams and tricks from using unregulated offshore brokers.

Although my personal account is very small for now (I am still in the learning and testing stage) I do intend to trade seriously eventually, with more fund; However, I myself will likely to find another broker outside of the USA if the leverage is shortened to 10 to 1 ratio.

Sincerely yours,
William