

From: Furqan Punjani <furqanpunjani@yahoo.com>
Sent: Thursday, March 18, 2010 12:49 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sir:

This is Furqan Punjani residing in Pakistan, having a demo account in some trading websites. I received a mail that regulators are trying to increase margin requirement and have proposed 1:10 against current margin of 1:100 (approx). I couldn't calculate on which basis they are trying to reduce it because Forex's major charm is liquidity.

This trading pattern is only considered best because of its highly liquid market and most of the traders or investors prefers liquidity. Increasing margin will dry up the volumes and liquidity. This proposal may be well for the fraud control but any policy changing dynamics of the business will increase volatility.

I hope the news i read was a rumor as its not practical at all to accomplish.

Furqan Punjani
+923212339943