

From: Neill Treasure (Bruton Capital) <neill.treasure@brutoncapital.com>
Sent: Thursday, March 18, 2010 9:24 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sir

I write regarding the proposed limit of leverage in retail Forex transactions to 10:1.

From my experience and observations of the market this is likely to result in the following:

1. Many retail traders will be forced off shore, where no such limits will apply. This is a global market. Many will find themselves trading from countries with far less protection than they currently have.
2. Reduced liquidity for small traders will follow. It will be harder to enter the market as a small trader, larger trade stakes will be required, and greater market volatility will be encouraged
3. This increased barrier to entry will be harmful to the US forex industry, and to the owners and employees of those businesses.

I am sure this cannot be the intention behind this legislation. I feel better protection would be offered by encouraging trader education for new traders, and by the continued risk warnings, displayed on many brokers websites.

I would therefore urge you to abandon this plan for limiting leverage, which although well intentioned can only have harmful effects.

Finally, I would add that increased protection from frauds, scams and ponzi style schemes would also be to everyones benefit.

Yours sincerely

Neill Treasure
Ref RIN 3038-AC61