

From: James Thomas <jthomas.email@gmail.com>
Sent: Thursday, March 18, 2010 9:33 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

TO: David Stawick, Secretary
Commodity Futures Trading Commission
1155 21st Street, N.W.,
Washington, DC 20581

RE: RIN 3038-AC61

Dear Mr. Stawick:

I am writing to protest the recent proposal to reduce leverage in the retail forex market, just as thousands of private citizens and numerous legislators have done.

While many, including myself, appreciate the efforts of the CFTC and the NFA to protect investors, most of us do not need to be protected from ourselves. I would respectfully suggest that the focus of your efforts be directed towards actual instances of fraud and other criminal activity. You don't protect an industry by destroying it.

As FXCM Chief Marketing Officer Marc Prosser adds, "If this proposal is meant to protect retail forex traders, we don't think this accomplishes that stated objective. In fact it does the opposite."

Or as Charlie Delano, director of government affairs at FXCM pointed out "If this rule goes through [customers are] not going to trade with our firms anymore. They're going to take our accounts and go to the UK or unregulated offshore locales. This could mortally wound the U.S. domestic industry."

I can tell you if this proposal is adopted, despite the overwhelming opposition to it, I will personally never trade with a U.S. based firm again. And you can be assured hundreds of thousands of other forex traders will do exactly the same. It will completely destroy the retail forex market in the United States, not to mention the thousands of jobs that go along with it. And the CFTC, and its directors, will be held directly responsible for it. While it may be of some benefit to your friends in the futures industry, most forex traders will simply move their accounts overseas rather than over-leverage themselves by trading currency futures. Futures trading is far more dangerous than the scalable leverage found in retail forex.

I would hope that you will seriously consider the opinions of the eight-thousand plus letters of protest, and abandon this absurd proposal.

Respectfully yours,

J. David Thomas