

From: Alan Diede <chso431@centurytel.net>
Sent: Friday, March 19, 2010 7:48 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

To the Secretary, David Stavick, Commodity Futures Trading Commission,

This email is regarding proposed rule, RIN 3038-AC61

I am sending you this email to make a quick comment on the proposed CFTC regulations requiring trader registration and proposed limited leverage.

I understand the need for regulation to insure the integrity of the system overall, and I am not opposed to that. I currently trade a micro account. I use a 100:1 leverage which is sufficient for my learning system.

I would support all traders registering with the CFTC and NFA in an effort to hold people accountable for their trading and actions.

I have very strong concerns that limiting leverage to 10:1 will eliminate the micro traders, such as myself, from utilizing the electronic trading system. Right now the system is set up so that it is accessible to all traders, including those of us who have limited risk capital.

Please remember, just because we have limited risk capital, does not mean that we have nothing to offer. One of the greatest aspects of this system is that you can start with a small amount of money and try to carve out some success for yourself as a trader. Start small and build your account in to something substantial.

I don't know if that will ever happen, but the dream that it could is alive and well.

Second, think of how many traders will send their money out of the USA to another country where their small risk capital is welcomed. I will be one of them if the proposed leverage rule is implemented.

Please, don't send us away. How about limiting the the number of lots based on the amount of equity in the account? If people are getting in trouble based on the leverage they're using, limit their ability to overleverage. Don't regulate and punish everyone based on what a few are doing.

If you're going to discipline certain people within a group, get out a gun with a scope so you can pinpoint the problem people, don't use a shotgun and blast everyone.

I know I said this was going to be quick comment and now I've rambled on too long.

Thank you for you time,
Alan Diede