

From: avik samanta <aviksamanta012345@gmail.com>
Sent: Friday, March 19, 2010 4:54 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

I am strongly opposed to the proposed 10:1 leverage scheme.

I would request you to try and answer the following questions before taking a decision:

1) Will reducing the leverage decrease or increase the amount of risk that a retail trader is exposed to? A retail trader who had to pay \$25 as margin for 1 micro lot of EUR/USD has to now risk \$250. Further, if he decides to move his funds outside USA to a potentially unregulated brokerage firm, he is now exposed to a threat of losing his funds to unregulated brokerage practices.

2) Don't you think that a retail trader should be mature enough to do proper money management while taking trades? If your answer to this question is negative, then, what makes you think that reduced leverage (potentially higher risked money) coupled with poor money management will reduce a retail trader's risk?

3) Aren't you forcing the retail traders with sound money management, but little money to spare for trading (taking aside the part of income for his living) to shut down his trading activities?

Instead on concentrating on the leverage, which is already low enough, shouldn't you concentrate on things like making clients deposits safer. Another thing that you should concentrate on is, if a foreign investor puts his money with a broker registered with cftc, then, how can he do most of the proceedings with cftc online so that he gets a fair justice in case an unfair practice is adopted by the broker.

Thanks & Regards,
Avik Samanta