

From: cs <gburoo@gmail.com>
Sent: Monday, March 22, 2010 7:16 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Secretary,

In reference to Regulation of Retail Forex (RIN 3038-AC61)

As a retail Forex trader I'm concerned about recently proposed rule changes that would negatively affect the retail Forex market. -

I, feel we should have the freedom to decide how we want to trade and at what leverage levels. I chose to trade the Forex market because of the available leverage.

I can understand leverage limitations for individuals trading futures. In futures "life devastating" losses are possible; one can loose everything. Retail Forex doesn't contain that level of risk. In retail Forex if I make a really bad mistake, I can loose my whole account (whatever that value may be). So extreme leverage limitations are unwarranted.

Authority over the retail Forex market was given to the CFTC in title 13 of the Farm Bill. It appears the purpose was to curb scams and reign dishonest practices among unscrupulous Forex dealers and brokers. My understanding is from 2000 to 2009 most court cases involving the Forex market were cases of solicitation fraud.

NFA polices itself very well. They have set what they consider acceptable leverage levels for retail Forex and most retail Forex traders agree. Futures brokers offer more than 10:1 leverage and futures traders are at risk of loosing, in reality, everything! That can't happen in retail Forex.

If regulation 5.9 is retained, the U.S. retail Forex market will dry up and blow away overnight. If you drop allowable leverage below 100:1 you will see traders leaving the U.S. I understand Japan has started restricting leverage and the result is: traders are moving their accounts to foreign competitors. And I believe...as I've heard said, it will never return, much like all the U.S. industries we see leaving the country. Many people believe the industries we've seen go off shore is the result of cheap labor and higher profits. Cheap labor's a nice side effect but not the true reason. Industry has left the U.S. due to over regulation. I hope over regulation doesn't destroy the retail Forex market as well.

U.S. industry going off shore has caused untold job losses; the same fate awaits Forex brokers if leverage limit proposals are enacted. With job losses come revenue losses, reduced tax revenue, unemployment and unemployment costs, this doesn't seem like a good change to make at a time of recession with a depression looking more likely.

NFA has already reasonable leverage levels for retail Forex, please don't incorporate regulation 5.9.

Most of all, it's another incursion to our liberty, and we have enough of those already.

Thank you,

Charles Sturtevant
Aurora, Colorado