

**From:** Greg G <censce@gmail.com>  
**Sent:** Thursday, January 21, 2010 11:34 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Re: Regulation of Retail Forex

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RIN 3038-AC61

Hello, My name is Greg and I trade retail forex, and have been doing so for the last 5 years. The recent changes made by the CFTC to change the maximum leverage to 1:100 was a bit of a set back as I was trading with a 1:200 leverage amount. Since the change, I have still done reasonably well. I do think that there are traders out there that use too much leverage, but that is:

1. Their choice because of experience, and they maximize profits doing so.
2. A learning experience, or process that is required in any field of study.
3. A mistake which in some cases will lead to my point number 2 and in some cases not.

**As I stand now, I firmly believe that the amount of leverage used should be the traders choice and not forced upon them, be it 1:100 or 1:400, etc.** However, in light of the recent situation of the economy and the rapid influx of retail traders to the markets, it does seem as if a stern hand should stop the 'madness'. But the markets are not for everyone, and some just have to learn this. The change in leverage to 1:100 is all that is needed to reform the way retail forex is done.

When learning to trade, the experts all would say that 1:100 leverage is all that is needed to trade profitably. Because it is not the leveraged amount that makes or breaks you, it is your methodology and approach to the game. To think that a drop in leverage to a maximum of 1:10 will alleviate problems within the retail forex trading environment is ignorant. As a trader, I can appreciate the choice in leverage amount, but also respect the dangers and pit falls that one can encounter when being over leveraged. **This new regulation would serve to cripple good traders, but wouldn't save bad traders from themselves.**

Don't destroy the dam to fix the leak.

Greg