

**From:** RANDY L MEYERS <rand998@yahoo.com>  
**Sent:** Saturday, January 23, 2010 10:22 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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To whom it may concern,

I am a retail trader and I am strongly opposed to the 10:1 leverage proposal by the CFTC. This regulation/requirement will drive many of the "smaller guys" out of the markets entirely or to offshore (ie unregulated) brokers. I understand the desire and need to regulate the forex industry more efficiently and appreciate your efforts, but decreasing the leverage down to 10:1 will not produce the effects that you think it will for some of the reasons stated below.

With more leverage those with smaller accounts can diversify into several strategies and pairs thereby lowering risk and increasing the chance for success. Also, if a person has studied hundreds of hours to find a trading strategy they think will work then more leverage means they can take a small amount of money and try it. However, if like the stock day trading rule, those with the power try to "protect us" by decreasing leverage then many will be forced to borrow or risk more money in order to try their strategies in the markets or exchanges. Personally, I know many more stock traders who were hurt rather than helped by the terrible decision of not allowing anyone to daytrade stocks with under \$25,000. As I stated above, this caused more harm than good because it forced those who were using a small amount of money in the market to either give up all the work they had already put in, put thousands more into the market thereby increasing risk to their overall financial standing, or worse of all borrow money so they could continue trading the way they had been all along. This will be the case with forex as well.

Lastly, the liquidity provided by retail traders increases the efficiency of the markets. Removing them, or unfairly pricing them out of the markets will result in increased price volatility overall and decrease the efficiency of the markets which is bad for everyone.

Please reconsider this proposal.

Thank you,  
Randy Meyers