

Dear Sir/Madam,

I would like to make a quick comment on the proposed rule Regulatory Notice 09-06. It is difficult to see how this rule would protect the many retail forex traders out there who currently trade with small account sizes that would provide miniscule returns if traded with leverage of 1.5:1. Although there is obviously the risk of losing large sums of money when using higher leverage with high account sizes, this is surely a risk that the investor himself takes. Reducing the maximum leverage to 1.5:1 would effectively exclude from the market the large number of retail forex traders who will never be able to invest the sums required to provide any kind of return with that amount of leverage. I realize many traders can wipe out much of their account due to the high leverage offered by many brokers, but surely it is a matter of judgement on the part of the investor as to how much he will risk. If the potential profits for many traders are reduced to a matter of dollars a day then rather than protecting retail forex investors this rule would only serve to make it too unprofitable for the majority of traders to enter the market in the first place.

Best regards,

Dean Rawlins