I recently read about this rule and I think it is a very very bad idea. I have recently started investing on the forex market. I was able to save up \$114.00 to start my trading with which is allowed by some brokers. During my testing I discovered that the optimal leverage for this amount of money is 1:200. This rule would prevent that thus not allowing me to start trading. Also any reputable broker will not allow my capital go below what I have in my account so I am only risking the money I saved up. If I lose this amount it is not particularly difficult to save up some more and try again.

When you make rules that exclude the low end traders like me you prevent us from making ourselves better. The leverage system that is currently in use has worked very well so far and should not be messed around with.

Sincerely Yours
.../ Tom Prime