

Financial Industry Regulatory Authority

Proposed rule to establish a Leverage limitation for retail Forex.

This proposal is uncalled for and another attempt by bureaucrats to place unnecessary controls on small traders in the Forex market.

Most retail traders understand the risk involved in the Forex market and use leverage ratios that are relevant to their account size. To assist this money management all responsible dealers I have dealt with have made a point of providing training in money management for their clients.

However it is acknowledged that a few inexperienced people plunge into the market without any training. Every market has their fair share of idiots. Why is it necessary to control us all because of them?

Small retail traders are just as entitled as the large financial organisations to take advantage of the fluctuation in currency rates to their own benefit. I do not see the necessity of FINRA interfering with their members who participate in this market.

Perhaps FINRA should be looking at regular inspection of the Dealer's Asset values to ensure are in proportion to the total value of their client's accounts and can meet demands for funds withdrawals at all times.

Keith Newhouse.
Sydney, Australia.
15th February 2009.