

From: [Ahmed Rufai Dahiru](#)
To: [Comments, Public](#)
Subject: FINRA Requests Comment on the Effectiveness and Efficiency of its Requirements Relating to Day Trading
Date: Monday, November 4, 2024 6:55:12 AM

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Dear Sir/Madam,

I am writing to provide feedback on FINRA's Pattern Day Trader (PDT) rule, specifically regarding the \$25,000 minimum balance requirement and the restriction on day trades within a rolling five-day period. While this rule may have been intended to protect traders, it has become a significant barrier for smaller retail investors, exposing them to greater risks rather than providing true protection.

1. Lower the Minimum Balance Requirement

The \$25,000 minimum balance is prohibitive for many retail investors, effectively excluding them from the benefits of day trading and creating an uneven playing field. By lowering the minimum balance to a more accessible level, such as \$5,000 or \$10,000, FINRA could enable more traders to manage their investments actively and responsibly without exposing themselves to more. A more accessible threshold would still promote responsible trading while allowing broader participation in the stock market.

2. Eliminate the 3-Day Rolling Limit

The restriction on only three-day trades within a five-day rolling period unnecessarily limits flexibility and forces small investors into holding positions overnight, which can be riskier due to after-hours market volatility. By removing the three-day trade limit and allowing unlimited day trades for traders who meet the adjusted minimum balance, FINRA could help retail investors better manage their risk on a daily basis without having to meet an excessively high financial barrier.

3. Consistency Across Financial Markets

Notably, the United States is the only country with such restrictions on day trading in the stock market, and similar limits do not exist for other high-risk markets, such as cryptocurrency, forex, or even casinos. This inconsistency in regulations suggests that the PDT rule unfairly limits U.S. retail stock traders while leaving them more exposed to overnight market risks. Allowing fair access to day trading would bring the stock market in line with other financial sectors and promote a level playing field.

Therefore, adjusting these aspects of the PDT rule would make day trading more accessible and fair while still promoting responsible trading practices. Thank you for considering these proposed changes to modernize the PDT rule for today's trading environment.

Best regards,
Ahmed