

To Whom It May Concern,

I wanted to write to you to voice my strong disapproval of the FINRA proposal to limit the amount of leverage in retail Forex. Limiting the amount of leverage will not necessarily make the retail forex market any safer - people will still lose money irrespective of their leverage allowance if they make losing trades. Moreover, I would argue that the current leverage capacity of retail forex allows trades to have extremely precise position risk, where there is more than adequate available margin in such accounts. Being able to accurately define the exact amount each pip is worth, and correspondingly setting the stop so that the total amount of position risk is a specified and constant percentage of capital, is one of the things that makes forex such a risk controlled market to trade in. Limiting the amount of leverage would limit the ability of traders like myself to properly size their positions, and would provide no benefit aside from protecting those that don't practise adequate risk control in the first place.

So, on behalf of myself and many other competent forex traders that I know, please don't limit the amount of leverage in retail forex; and if you still decide to impose a limit, please don't make it 1.5/1. This would only serve to encourage new retail forex customers to open larger accounts than they might have otherwise (since they won't have the leverage to trade properly with smaller amounts), and will realistically lose a much greater amount of capital than if they were able to learn with a \$1000 account with appropriate leveraging and risk control.

Leverage is simply a tool. Like anything else, it can be abused. At same time, when used correctly, leverage offers traders the ability to control their risk properly. Don't take away a viable and useful tool because of the mistakes of those that don't know how to use it properly.

If you would like to contact me to speak further, either by phone or via email, that would certainly be fine.

Best regards,

Chris Muir