

FSCA Press Release

01 February 2022

FSCA warns the public against FXT Trading Ltd

The Financial Sector Conduct Authority (FSCA) warns the public to be cautious and vigilant when dealing with FTX Trading Ltd (FTX). FTX, which is headquartered in the Bahamas, offers trading in derivative instruments through its online trading platform. It has come to the attention of the FSCA that FTX might be offering the South African public, access to its online platform to trade in amongst others, derivatives instruments. FTX is not authorised to give any financial advice or render any intermediary services in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act) in South Africa.

Without commenting on the business of FTX or its products and services, the FSCA points out that, for a company to offer CFD (Contracts for Difference) trading in South Africa, it must be licensed to do so by the FSCA. The FSCA wishes to inform the public that FTX is not authorised to trade in CFDs or to provide financial advisory and intermediary services in South Africa. The FSCA made attempts to contact FTX, but these attempts were unsuccessful.

Members of the public should always check that an entity or individual is registered with the FSCA to provide financial advisory & intermediary services and what category of advice it is that the entity is registered to provide. There are instances where persons are registered to provide basic advisory services for a low-risk product and then offer services of a far more complex and risky nature. The FSCA reminds customers who wish to conduct financial services with an institution or person to check beforehand with the FSCA on either the toll free number (0800 110 443) or on https://www.fsc.co.za/Fais/Search_FSP.htm whether such institution or person is authorised to render financial services.

ENDS

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