Press Releases

GAIN Capital's FOREX.com Customers Will Not Be Affected by NFA FIFO Rule; Stop and Limit Orders Remain Available

FOREXTrader Platform Fully Compliant with First-In, First-Out Method

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NEW YORK, July 8 /PRNewswire/ -- Customers of GAIN Capital's FOREX.com online foreign exchange trading division will be unaffected by the new National Futures Association (NFA) regulation requiring customer orders to be executed on a first-in, first-out (FIFO) basis.

The company's FOREXTrader proprietary trading platform has always used the FIFO method and therefore fully supports NFA rule 2-43(b), which goes into effect on August 1, 2009. As a result, traders can continue to use stop and limit orders to both enter new and protect open positions, as well as utilize all other advanced order types available on the platform including One Cancels Other (OCOs) and Trailing Stops.

These tools help to mitigate risk by allowing traders the flexibility to initiate their preferred trades real-time. Not having access to them can put the trader at a distinct disadvantage.

The new rule also eliminates the practice of hedging -- holding simultaneous long and short (or "offsetting") positions in a single currency pair. Traders that require hedging capabilities can trade through GAIN Capital's FSA registered entity, FOREX.com UK.

"As one of the largest regulated forex dealers in the United States, we are committed to offering products and services that are fully compliant with our regulator, the National Futures Association, while continuing our commitment to provide the best trading experience for our customers," said Glenn Stevens, chief executive officer, GAIN Capital.

For more information on the NFA compliance rule and stops and limits, please visit http://www.forex.com/tradestopsandlimits.html.

About GAIN Capital

GAIN Capital is a market leader in the rapidly growing online foreign exchange (forex or FX) industry. Founded in 1999 by Wall Street veterans, GAIN now services clients from more than 140 countries and supports average trade volume of nearly $200 billion per month with its customers and trading partners.

GAIN Capital provides execution, clearing, custody, and technology products and services, supporting over 50 correspondent and white label arrangements with broker/dealers, Futures Commission Merchants (FCMs) and other financial services firms around the globe. The company also operates FOREX.com (www.forex.com), one of the largest, best-known brands in the retail forex industry.

With offices in New York City, Bedminster, New Jersey, London and Tokyo, GAIN Capital and its affiliates are regulated by the Commodity Futures Trading Commission (CFTC) in the U.S., the Financial Services Authority (FSA) in the United Kingdom, and the Financial Services Authority (FSA) in Japan. For company information, visit www.gaincapital.com, or for trading information, visit www.forex.com.

SOURCE: GAIN Capital

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