

Alert: **Forex Scams**

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The Financial and Consumer Affairs Authority of Saskatchewan (FCAA) is alerting the public about Foreign Exchange (Forex) scams targeting investors.

Forex investing includes speculating on the change in value of one currency against another. This activity is legal and regulated in Saskatchewan but only registered dealers are allowed to conduct the trades. However, its complexity and volatility can be used by fraudsters to mislead unsuspecting investors into believing a scheme is a legitimate and lucrative investment.

Provincial and territorial securities regulators in Canada have seen an increase in Forex-related scams over the past few months. Specifically, fraudsters have been using social media, online forums and buy and sell websites to target investors with promises of high returns from Forex investing.

Here are some red flags that may indicate the investment is fraudulent:

- A guarantee of little or no risk, and high investment returns.
- Dealers are not registered with the FCAA.
- An unwillingness to discuss the past performance or track record of the specialist traders who will handle their money.
- An unwillingness to identify specialist traders or traders located in offshore jurisdictions who will handle their money.
- High-pressure sales techniques to buy a Forex investment, to purchase software or take courses related to Forex trading.

Tips to protect yourself:

- Always check the registration of the person or company selling or advising about securities or derivatives. To check registration visit [The Canadian Securities Administrators' National Registration Search](#).
- Check the disciplinary history for the person or company, to find out if they have broken regulatory rules in the past. It is easy to do, using the [Canadian Securities Administrators Cease Trade Orders](#) database and the list of [disciplined people and companies](#).

- Know exactly what you are investing in. Make sure you understand how the investment, product or service works.
- Get a second opinion and seek professional advice about the investment.

If you have been contacted by someone offering a Forex investing opportunity or any investment that may be fraudulent, contact the FCAA's Securities Division at 306-787-5936.

For more information about scams and how to spot red flags visit:

<https://fcaa.gov.sk.ca/consumers-investors-pension-plan-members/investors/investment-fraud>