

# ASIC issues warning about Titantrade.com

A binary option is a financial product, in particular a derivative, under the *Corporations Act*. Binary options are a type of option where you try to predict the short-term movements of a share price, currency, index or commodity. They are a speculative, high risk product.

Any entity that deals in, or provides advice about, binary options to Australian investors must hold an Australian financial services (AFS) licence, or be authorised by an AFS licensee.

ASIC is concerned that the promoters and/or operators of the Website are offering unlicensed financial services in Australia via their website and webinars that it conducts.

ASIC believes the information and advertising contained on the Website is likely to mislead the Australian public and is warning that potential investors are likely to suffer detriment as a result of being misled.

On 26 July 2016, ASIC took action in the Federal Court of Australia to restrain the operators of the Website from carrying on a financial services business whilst unlicensed. The Court made orders prohibiting the operators of the Website, and other persons and entities who may have received funds from the Website, from:

- issuing financial products, including binary options trading;
- advertising or promoting its products; and
- operating the Website in Australia.

The Court's orders have been extended until 16 November 2016, while ASIC continues to investigate the Website, and persons and entities, including Allianz Metro Pty Ltd, who appear to have received payments from the Website.