

The FSMA warns the public against various companies in Belgium that are offering so-called ‘Expert Advisors’ or ‘EAs’ used to trade in CFDs, forex and crypto-derivatives.

An Expert Advisor is a type of software that tells you when to make certain trades or even carries them out for you automatically, based on preprogrammed parameters.

The FSMA notes that ever more companies are distributing such Expert Advisors, including to Belgian consumers. This comes with risks.

First, these companies do not have an authorization to offer financial services and products in Belgium.

Moreover, the FSMA has found that such trading software often occurs via a pyramid structure. In general, these are referred to as ‘MLM’ (multi-level marketing) schemes, in which consumers are incentivized to bring in new members. In exchange, they receive compensation in the form of a commission or discount on the price of the software package.

Such MLM networks appear to be active on social media via countless (private) groups. It appears that these schemes mainly target young people. The message is that everyone can afford a luxurious lifestyle provided they bring in enough new members and make the appropriate investment in the software being promoted.

The FSMA also wishes to emphasize that distribution of certain financial instruments that are available via the software (such as CFDs, forex and crypto-derivatives) is prohibited in Belgium.

Lastly, offers of CFDs and forex derivatives via the internet are very risky and open to fraud: anyone who invests in CFDs or forex derivatives runs the risk of losing the entire sum invested. **The chance of loss is far greater than the chance of profit:** surveys by other European supervisors among investors shows that at least 75% to 89% of the investments in derivative products, such as forex derivatives, are loss-makers! These products are appropriate only for those who really wish to speculate, are ready to lose the entire amount invested or even more, and are familiar with derivative financial products. **There have also been many cases of fraud with these instruments.** In a number of cases, it turned out that no actual transactions were ever made by the offeror.

Based on the information available to the FSMA, the following websites are offering these types of trading software in Belgium, in contravention of Belgian legislation:

- **Cashfx Group** (www.cashfxgroup.com)
- **Endotech** (<https://endotech.io/>)
- **MirrorTrading International**
- **World Markets** (www.worldmarkets.com)

Have you received an offer of an investment and would like to find out whether it could be fraudulent? If so, take the test under the heading '[Beware of fraud](#)'.

We also urge investors always to check that the company in question has the requisite authorization. A simple search via the [search function](#) on the FSMA website is all you need. You can also contact the FSMA directly via the [consumer contact form](#).

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