



**CFTC Technology Advisory Committee**

**Concept Release on Risk  
Controls and System Safeguards  
in Automated Trading  
Environments**



# Automated Trading Environments

- The FIA supports a principles-based approach to regulation which allows the markets to evolve naturally based on innovation and competition.
- Automated trading has been adopted across a wide range of market participants to provide increased efficiency of execution.
- All market participants have a fundamental responsibility for implementing effective risk controls regarding the development, implementation and use of automated trading tools to ensure that market integrity is protected.
- Risk controls provided by FCMs and DCMs should be flexible enough to reflect the different requirements of market participants – there is no one-size-fits-all solution.
- Rather than focusing on types of trading activity, regulatory emphasis should be on identifying and stopping disruptive or abusive trading practices.
- In conclusion, the FIA welcomes the opportunity to work with the Commission to create a regulatory framework around Automated Trading environments that addresses the needs and concerns of all participants.