

complaint

Mr E's complaint is about information he was given when he contacted the Gain Capital UK Limited (trading as Forex.com) online chat enquiries service to ask about partially closing trades. He says the subject of his enquiry was an open position(s) he had in the USD/JPY pair and he says misinformation from the service was the basis of the trading decision(s) he subsequently made which lost him money.

background

Mr E said the online chat took place between 19 and 22 February 2018. Forex.com concluded an investigation into the matter. In the main, its position is that Mr E's online chat enquiry was generic – not specifically related to a particular position; that the information he was given was also generic; that the information was accurate; that Mr E would have known that he should use its website and terms and conditions as his primary source of information and that it is not responsible for inaccurate information it might have provided him.

Mr E did not accept this outcome and one of our adjudicators looked into the matter. She obtained online chat records from Forex.com and identified that the chat Mr E refers to happened on 20 February. The adjudicator did not uphold the complaint. She said evidence in the transcript of the chat showed that Mr E's enquiry and the information he was given were about general information about part closing positions. She said Forex.com did not identify his account details during the chat so it did not know about Mr E's open positions; that Mr E did not refer to specific positions; that the general information (about the First-In-First-Out (FIFO) process for part closing positions) given by Forex.com was consistent with information on its website; and that her conclusion is he was given the correct information for his enquiry.

Mr E did not accept this outcome and the matter was referred to an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I have reached the same conclusion as the adjudicator's for broadly the same reasons.

I have gone through the record of chat transcripts shared with us by Forex.com and I am satisfied that the transcript for 20 February relates to the online chat that Mr E has referred to. It matches the description and date span (that is, between 19 and 22 February) he has given and I have not seen others that do the same.

The transcript shows what was typed at both ends during the online chat. Mr E's intention might have been to obtain information for the purpose of specific positions but that is not how he approached the chat. The transcript suggest that he had a particular reason behind his enquiry and it is possible that the Forex.com official could have gathered this too. However, his approach and enquiry was generic and hypothetical in nature, so the Forex.com official reflected the same approach in the general responses and information given. There is no mention of the specific positions that Mr E has since referred to as the positions affected by the misinformation he alleges. The transcript shows that he made reference to a hypothetical position in order to get more information about how the FIFO process worked and it does not appear that his hypothesis fully reflected the nature of the positions he has since referred to in his complaint.

As the adjudicator said, the general information given to Mr E about the FIFO process in practice and with regards to part closing positions was consistent with information about the process available in Forex.com's website. I have not seen evidence to conclude that it was inaccurate or that it did not accurately address the general enquiry Mr E made during the online chat. Forex.com also provided this service with an illustration of how the FIFO process worked in practice and in relation to the enquiry that Mr E presented. I consider the illustration to be reliable and that it adds support to the conclusion that he was not misinformed during the online chat on 20 February.

As I have not been persuaded that Mr E was misinformed by Forex.com I do not consider it necessary to address the argument about exclusion of liability for misinformation outside the contents of its website and terms and conditions.

my final decision

For the reasons given above, I do not uphold Mr E's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 31 January 2019.

Roy Kuku
ombudsman