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December 11, 2013

Via Electronic Submission

Melissa D. Jurgens
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street N.W.
Washington, DC 20581

Re: Comments on Concept Release on Risk Controls and System Safeguards for Automated Trading Environments (RIN 3038-AD52)

Dear Ms. Jurgens:

Forex Capital Markets, LLC ("FXCM" or the "Firm") appreciates the opportunity to provide the Commodity Futures Trading Commission (the "Commission") with comments concerning the Concept Release on Risk Controls and System Safeguards for Automated Trading Environments (the "Concept Release") published in the Federal Register on September 12, 2013.

The Firm is an online provider of foreign exchange trading and related services to retail and institutional clients worldwide and is a registered Retail Foreign Exchange Dealer and Futures Commission Merchant. FXCM is also provisionally registered as a Swap Dealer.

In general, FXCM welcomes the Commission's suggestions on regulations aimed at predatory high frequency trading. FXCM's comments are specifically directed to the potentially over inclusive definition of the term High Frequency Trading ("HFT") and the negative unintended consequences that may arise as a result. As it is currently proposed, the term HFT could be interpreted to include an Automatic Order Routing System ("AORS") such as the one used by FXCM to seamlessly match its client's orders with the best bid/best offer price published by FXCM's liquidity providers. FXCM's AORS is an electronic marketplace that connects client orders to a wide number of market makers to increase pricing competition and to provide the client with a fair venue to trade in the foreign exchange market, which is otherwise only available to banks and financial institutions. It further provides automated order routing and reporting services to facilitate the timely and efficient transmission, execution, and reporting of market, limit and stop orders. FXCM's AORS is therefore able to provide its clients with a competitive and anonymous trading environment.

FXCM firmly believes it is in the public's best interest that the proposed definition of HFTs exclude AORSs such as the type of AORS used by FXCM to provide clients automatic and prompt access to best bid/best offer prices made by third party liquidity providers. FXCM believes such AORSs are already subject to extensive regulatory oversight and control. For instance, the National Futures Association ("NFA") has various Compliance Rules and Interpretative Notices to regulate such AORSs. Specifically, under NFA Compliance Rule 2-36(e) FXCM must diligently supervise its employees and agents in the conduct of their forex activities for or on behalf of the Firm. NFA's Interpretive Notice 9060 ("9060") extends the supervisory requirement to the use of Electronic Trading Systems. 9060 also requires a NFA member to conduct periodic reviews of any electronic trading system it utilizes. Lastly, NFA's Interpretive Notice 9046 requires members to have controls in place for the use of AORS.

Based on the foregoing, FXCM respectfully requests the Commission to exclude AORS like the ones used by FXCM of the HFT definition. The Firm would be happy to further discuss the comments should the Commission have any questions or concerns.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dror Niv". The signature is written in a cursive, flowing style.

Dror Niv
Chief Executive Officer
Forex Capital Markets, LLC