

MEDIA RELEASE

IOSCO Publishes Final Reports on Finfluencers, Online Imitative Trading Practices and Digital Engagement Practices

Reports represent third wave of comprehensive Retail Investor Online Safety strategy to address online fraud, promote safe investing and enhance global cooperation

IOSCO/MR/10/2025

Madrid, 19 May 2025

IOSCO has today published the Final Reports on Finfluencers, Online Imitative Trading Practices and Digital Engagement Practices, as part of the third wave of its Roadmap for Retail Investor Online Safety (the 'Roadmap').

This strategic initiative, launched in November 2024, aims to safeguard retail investors worldwide from fraud, excessive risk taking and misinformation as digital marketing and social media reshape the retail financial markets. It is represented by five waves of activity.



IOSCO’s work identifies a growing intersection between online imitative trading strategies and the activity of finfluencers, sometimes further complicated by digital engagement practices and gamification techniques employed by platforms to influence retail investors’ behaviour. These technological transformations, while creating new opportunities, could also blur the lines between the provision of authorized and regulated financial advice and the provision of general financial information, creating further risks for retail investors.

The Finfluencers Final Report explores the evolving landscape of finfluencers, the associated potential benefits and risks, and the current regulatory responses across jurisdictions. It identifies potential gaps in regulatory coverage, particularly for unregistered individuals who influence retail investors without the professional qualifications or oversight required of registered investment advice professionals, and proposes a set of Good Practices for securities regulators, market intermediaries, and finfluencers themselves which aim to foster a more transparent and accountable environment.

The Final Report on Online Imitative Trading Practices – Copy Trading, Mirror Trading, Social Trading – examines the regulatory aspects, benefits, and risks associated with imitative trading practices, particularly for retail investors. It highlights the potential for investor harm due to the automated nature of these strategies. Retail investors may not fully understand the implications of their investments, particularly when they are automatically imitating trades without active monitoring or intervention. This can lead retail investors to imitate strategies that might be not in line with their financial situation (including their ability to bear losses) and their investment objectives (including their risk tolerance) and that might result in significant losses, especially when lead traders engage in high-risk strategies or fail to provide adequate disclosures about the risks and costs involved.

The Final Report also emphasizes the importance of promoting investor education as a means of helping investors understand the risks associated with online imitative trading strategies.

[The Final Report on Digital Engagement Practices \(DEPs\)](#) reviews the various types and applications of DEPs employed by market intermediaries, highlighting both their potential benefits and associated risks. It also identifies regulatory challenges and gaps, particularly concerning their influence on retail investor behavior and decision-making. The Final Report emphasizes the importance of ensuring that DEPs used to communicate investment advice or recommendations do not prioritize the interests of market intermediaries over those of retail investors. It also advocates for clear, accurate, and comprehensive disclosures to promote investor protection and market integrity.

All three reports identify Good Practices that regulators could consider in managing the potential risks on retail investors that may stem from the evolving retail market landscape in influencer activities, online imitative practices, and DEPs.

IOSCO Board Chairman **Jean-Paul Servais**, who also serves as Chair of the Belgium Financial Services & Markets Authority, said: “The publication of these Final Reports marks a significant milestone in IOSCO’s mission to safeguard retail investors in a rapidly digitalising world. From influencer promotions to gamified apps and imitative content, these reports set out globally aligned expectations for ethical conduct and effective oversight. They reflect our commitment to fostering innovation that serves the public interest, ensuring that technology enhances trust, rather than undermining it, in financial markets.”

Derville Rowland, Chair of the Retail Investor Coordination Group tasked with overseeing this work at IOSCO, added: “The digital transformation of financial markets has reshaped the way retail investors interact with financial products and services. The Good Practices outlined in the three reports provide IOSCO members with a framework to address the challenges while maintaining the benefits of innovation.”

Notes to Editors

1. IOSCO is the leading international policy forum for securities regulators and the global standard setter for financial markets regulation. It develops, implements and promotes adherence to internationally recognized standards for financial markets regulation and works closely with other international organizations on the global regulatory reform agenda.
2. The organization's membership regulates more than 95% of the world's securities markets in some 130 jurisdictions. By providing high quality technical assistance, education and training, IOSCO supports its members to come together to achieve the following three objectives.
 - Enhance investor protection;

- Ensure markets are fair and efficient;
 - Promote financial stability by reducing systemic risk.
3. The IOSCO Board is the governing and standard-setting body of IOSCO and is made up of 35 securities regulators. Mr. Jean-Paul Servais, the Chair of Belgium's Financial Services and Markets Authority (FSMA) is the Chair of the IOSCO Board. Shigeru Ariizumi, Vice Minister for International Affairs, Financial Services Agency, Japan, and Dr Mohamed Farid Saleh, Executive Chairman of the Financial Regulatory Authority, Egypt, are the Vice-Chairs of IOSCO Board.
 4. The Growth and Emerging Markets (GEM) Committee is the largest Committee within IOSCO, representing more than 75% of the IOSCO membership, including ten of the G20 members. Dr Mohamed Farid Saleh is Chair of the GEM Committee. The Committee unites members from growth and emerging markets and communicates their views at other global regulatory discussions.
 5. IOSCO counts four regional committees: (1) Africa / Middle-East (AMERC) chaired by Ms. Nezha Hayat Chairperson and CEO of the Moroccan Autorité Marocaine du Marché des Capitaux, (2) Asia & Pacific (APRC) chaired by Ms. Julia Leung Chief Executive Officer of the Hong-Kong Securities and Futures Commission, (3) European Regional Committee (ERC) chaired by Mr. Jean-Paul Servais and (4) Inter-American Regional Committee (IARC) chaired by Ms. Lucia Buenrostro Vice President of Regulatory Policy at the Mexican Comisión Nacional Bancaria y de Valores.
 6. The RICG's work is focussed on identifying and mitigating emerging retail conduct issues on the one hand, with both policy and financial education sets of initiatives focused on (a) influencers; (b) online imitative trading practices; (c) neo-brokers; (d) fractional asset trading; and (e) digital engagement practices (DEPs). On the other hand, RICG's enforcement focus is devoted to the enforcement activities regulators undertake to prevent online harm and fraud. These cover two sub-areas: (i) international cooperation for effective prevention and investigation on online illegal activities; and (ii) increasing awareness of online harm and better supervision of online fraud and mis-selling.

Press Enquiries

Susan Tether

Email: s.tether@iosco.org

Website: www.iosco.org