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Forex license in the United States

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Forex license in the United States



Flag

Regulator	Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA) [1]
License	Registration with the CFTC as a retail foreign exchange dealer (RFED) or futures commission merchant (FCM), and NFA membership as a Forex Dealer Member [1] [3]
Legal basis	Commodity Exchange Act as amended by the CFTC Reauthorization Act of 2008; CFTC Part 5 rules; NFA rules [1] [2]
Minimum capital	US$20 million [1] [3]
Application fee	NFA membership and registration fees apply; not quantified here
Decision time	No statutory deadline confirmed
Retail leverage, major FX	50:1 [2]
Negative balance protection	Not required
Compensation scheme	None

Cross-border passport	No [3]
Licensed firms	4 RFEDs (June 2026) [5]
Public register	NFA BASIC (Background Affiliation Status Information Center)

In short: Forex and CFD brokers in the United States are licensed by the Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA). [1] Minimum capital: US$20 million. [1] [3] Retail leverage on major currency pairs: 50:1. [2] Compensation if the firm fails: none. Figures as of November 2026.

In the United States, only firms registered with the **CFTC** as **retail foreign exchange dealers (RFEDs)** or futures commission merchants, and members of the **NFA**, may be the counterparty to retail OTC forex trades. The US$20 million capital floor is one of the highest in the world, and only a handful of firms hold the registration.

License types

The license used by forex and CFD brokers in the United States: Registration with the CFTC as a retail foreign exchange dealer (RFED) or futures commission merchant (FCM), and NFA membership as a Forex Dealer Member. [1] [3] Legal basis: Commodity Exchange Act as amended by the CFTC Reauthorization Act of 2008; CFTC Part 5 rules; NFA rules. [1] [2]

- **Retail foreign exchange dealer (RFED)** – counterparty to retail forex
- **Futures commission merchant (FCM)** – may also offer retail forex
- **Introducing broker (IB)** – introduces clients; must be guaranteed by or follow rules tied to an RFED or FCM

Capital and financial requirements

Minimum capital in the United States (2026): Adjusted net capital of at least US$20 million, plus 5% of liabilities to retail forex customers above US$10 million. [1] [3]

Application fee: NFA membership and registration fees apply; not quantified here.

Capital is only the regulatory floor. Staff, audit, compliance, technology and liquidity usually cost more than the capital itself, and regulators expect a realistic budget for the first years.

Application process

Decision time: No statutory deadline confirmed. The usual steps are:

1. Form the US entity and raise at least US$20 million of adjusted net capital.
2. Register with the CFTC through the NFA and apply for NFA membership as a Forex Dealer Member.
3. Register principals and associated persons, who must pass proficiency exams.
4. Set up financial reporting, recordkeeping and risk disclosures.
5. Begin business once registration and membership are approved.

Substance and governance

A US-registered dealer with registered principals and associated persons who pass proficiency requirements. [3]

Trader protection

What the CFTC / NFA rules guarantee a retail client, as of November 2026. See Trader protection for the same rules in every jurisdiction.

Protection	Rule in the United States
Retail leverage limits	Minimum security deposit of 2% for major currency pairs (50:1) and 5% for others (20:1); the NFA can set higher deposits. [2]
Negative balance protection	No general requirement.
Client money	Retail forex customer funds are subject to CFTC and NFA financial requirements. [1]
Compensation if the firm fails	No compensation scheme covers retail forex accounts.
Serving clients abroad	No. Retail CFDs are not offered to US clients; retail OTC forex can only be offered by RFEDs, FCMs and certain regulated banks. [3]

Number of licensed firms

NFA's membership totals show 4 retail foreign exchange dealers at 30 June 2026. Some futures commission merchants also offer retail forex, so the number of firms dealing forex with US retail clients is slightly higher. [5]

Counts change month to month and regulators count differently (some include banks, fund managers or every investment firm). The public register is the only current source.

Recent changes

No change to the core retail forex capital or leverage rules found in 2026.

How to verify a license

1. Find the exact legal name and license number of the entity you would contract with, usually in the website footer or the client agreement.
2. Search for it on the regulator's own register: NFA BASIC (Background Affiliation Status Information Center) .
3. Check that the website address and contact details on the register match the site you are using, to rule out a clone firm.
4. Check which group entity your account would be opened with: brands often run several entities under different regulators.

Frequently asked questions

What is the maximum forex leverage in the US?

50:1 on major currency pairs and 20:1 on others, because dealers must collect at least 2% and 5% security deposits.

Can US residents trade CFDs?

Retail CFDs are not offered to US residents by regulated firms; leveraged FX is available through registered RFEDs and FCMs.

Figures as of November 2026. Requirements, fees and capital change; confirm with the CFTC / NFA or a qualified adviser before applying. Where we could not confirm a figure from an official source, this article says so.

See also

- Forex licenses compared
- Forex license in the Cayman Islands
- Forex license in Saint Vincent and the Grenadines
- Forex license in Saint Lucia
- Forex license in Belize
- How to verify a broker's license
- All jurisdictions

References

Entries marked **Official** are the regulator, the law or another public body. Other entries are named secondary sources, used where we could not find the figure published officially.

1. Official Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries: final rules fact sheet . CFTC. Accessed November 2026.
2. Official 17 CFR 5.9: Security deposits for retail forex transactions . eCFR. Accessed November 2026.
3. Official Questions and answers on the final retail forex rule . CFTC. Accessed November 2026.
4. Official NFA BASIC . National Futures Association. Accessed November 2026.
5. Official Membership and Directories: NFA membership totals . National Futures Association. Accessed November 2026.

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