

Title: Possible loophole for single security ETFs

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I have a lawyer buddy who is not allowed to purchase securities and is only allowed to invest in ETFs. The same is true for many others including lots of government officials.

Trading single securities can be exploited by insiders and others 'in the know'.

Trading ETFs is fair game for all though and there aren't rules in place to prohibit the trading of specific ETFs since they are all lumped together in that sense.

This new rule will allow and normalize insider trading and can be extremely dangerous. Let's say you are an insider and know that you have a bad earnings report coming up. You just invest in the 3x bear etf against your own company and make absolute bank. Yikes...

I would like to know what your opinions about it are.