

Analysis of Binary Options Availability at TradeKing / Ally Invest

Executive Summary

This report addresses the question of whether binary options trading is available through TradeKing. TradeKing was acquired by Ally Financial in 2016 and subsequently rebranded as Ally Invest in 2017.¹ Therefore, the relevant entity for current product offerings is Ally Invest. Based on a comprehensive review of Ally Invest's official product listings, trading platform details, associated disclosures, and information from independent financial sources, the analysis concludes that Ally Invest **does not** offer binary options trading. Ally Invest provides trading in standard listed options (calls and puts) on equities and indices, alongside a suite of conventional investment products such as stocks, exchange-traded funds (ETFs), bonds, and mutual funds. Binary options represent a distinct and separate type of financial instrument, characterized by an all-or-nothing payout structure and significant regulatory concerns, particularly those offered on unregulated platforms. These are not included in Ally Invest's product portfolio. Furthermore, historical analysis of TradeKing prior to its acquisition provides no evidence that it offered binary options.

related posts : [Best Binary Options Brokers \(in 2025\)](#)

The Evolution of TradeKing: Acquisition by Ally Financial and Rebranding to Ally Invest

To understand the current product offerings associated with the TradeKing name, it is essential to trace its corporate history. TradeKing Group, Inc. ceased to operate as an independent entity following its acquisition by Ally Financial Inc.

Confirmation of Acquisition

In April 2016, Ally Financial Inc. publicly announced its agreement to acquire TradeKing Group, Inc., a digital wealth management company.⁴ The acquisition, valued at approximately \$275 million, was completed in June 2016.¹ Following the transaction's close, TradeKing became a wholly owned subsidiary of Ally Financial, maintaining operations in Fort Lauderdale, FL, and Charlotte, NC, for a period before full integration.²

Strategic Rationale for Acquisition

Ally Financial, historically known for its automotive financing and rapidly growing online banking services (Ally Bank)⁴, viewed the acquisition of TradeKing as a

strategic move to significantly expand its digital financial services portfolio.⁴ The primary goal was to integrate wealth management and investment services into its existing platform, creating a unified digital experience for customers covering both banking and investing needs.³ Jeffrey Brown, CEO of Ally, stated that adding wealth management was the "next key step in Ally's digital product evolution".⁴

TradeKing brought substantial assets to the deal, including an established online broker/dealer platform for self-directed investors, a digital portfolio management platform (TradeKing Advisors, a robo-advisor), educational content resources, and social collaboration channels.⁴ At the time of the acquisition announcement, TradeKing had approximately \$4.5 billion in client assets, including \$1.1 billion in cash and sweep deposits, across 260,000 funded accounts.² Ally aimed to leverage these capabilities to attract and retain customers, particularly millennials showing increasing preference for digitally-based financial services, and to diversify its revenue streams by adding fee-based income from investment services.⁴

This strategic direction provides important context. Ally Financial, a large, regulated U.S. financial services company listed on the NYSE⁴, sought to enhance its brand by adding trusted wealth management services. Integrating products often associated with high risk, regulatory ambiguity, and offshore operations, such as many binary options platforms¹⁰, would likely run counter to the objective of building a reputable, integrated financial services platform anchored by an FDIC-insured bank.¹² The emphasis on "wealth management" generally implies a focus on more traditional investment vehicles suitable for long-term financial planning, rather than the highly speculative, short-term nature of binary options.¹⁰

Rebranding to Ally Invest

The integration process culminated in May 2017 with the official launch of Ally Invest.³ The TradeKing brand was retired, and its brokerage and advisory services were fully incorporated into the Ally platform, accessible via the main Ally website (ally.com) using the same login credentials as Ally Bank accounts.¹ This rebranding solidified the transition, meaning any inquiry about TradeKing's current offerings must be directed towards Ally Invest.

Ally Invest: Current Investment Offerings

An examination of Ally Invest's current services and product listings reveals a portfolio focused on mainstream investment vehicles, with no indication that binary options are included.

Overview of Services

Ally Invest primarily caters to investors through three main channels:

1. **Self-Directed Trading:** For investors who prefer to manage their own portfolios.¹²
2. **Automated Investing (Robo Portfolios):** For investors seeking algorithm-based portfolio management.¹²
3. **Personal Advice:** A wealth management service for clients with a higher minimum asset level (\$100,000) seeking guidance from a dedicated advisor.¹²

A key feature emphasized by Ally is the seamless integration between Ally Invest and Ally Bank, facilitating easy money transfers and providing customers with a consolidated view of their finances.³

Tradable Securities in Self-Directed Accounts

Ally Invest's website, help sections, and independent reviews consistently detail the range of investment products available through its Self-Directed Trading accounts. These include:

- **Stocks:** Commission-free trading for eligible U.S.-listed stocks.¹⁶
- **ETFs (Exchange-Traded Funds):** Commission-free trading for eligible U.S.-listed ETFs.¹³
- **Options:** Standard listed call and put options on equities and indices.¹⁶
- **Bonds:** Access to corporate, municipal, agency, and Treasury bonds.¹⁶
- **Mutual Funds:** A selection of mutual funds, including thousands available with no transaction fees.¹⁶

Ally Invest also permits trading in low-priced securities (often called penny stocks, those trading under \$2 per share), albeit with a different commission structure involving a base fee plus a per-share charge.¹⁶

Products Explicitly NOT Offered

Ally Invest is transparent about certain investment types it does *not* support. Notably:

- **Cryptocurrencies:** While Ally Invest allows trading in certain crypto-related securities (like trusts holding Bitcoin, Bitcoin futures ETFs, and stocks of companies involved in crypto), it explicitly states that it does *not* offer direct trading of cryptocurrencies (spot trading).²¹ Customers cannot transfer cryptocurrency into Ally Invest accounts.²¹
- **Futures:** Independent reviews confirm that futures contracts are not available on the Ally Invest platform.¹⁷
- **Initial Public Offerings (IPOs):** Access to participate in IPOs is also not listed as

an offering.¹⁷

The explicit exclusion of certain asset classes like spot crypto and futures, coupled with the detailed listing of available products, strongly suggests that the absence of binary options from all official and third-party descriptions is intentional and reflects their unavailability. The consistency across Ally's own website¹², its support documentation¹⁹, legal disclosures⁹, and external reviews¹⁷ reinforces this conclusion. If binary options were offered, they would reasonably be expected to appear in product lists, fee schedules, platform descriptions, or risk disclosures, none of which is the case.

Options Trading Capabilities at Ally Invest

Ally Invest actively promotes its options trading capabilities, but the focus is exclusively on standard, exchange-listed options, not binary options.

Focus on Standard Options

The platform facilitates trading in conventional call and put options based on underlying securities like individual stocks, ETFs, and indices.¹⁶ Ally Invest provides tools tailored for this type of trading, including customizable options chains, probability calculators, and strategy builders designed to help investors analyze and execute standard options strategies.¹⁷ Educational content available through Ally Invest focuses on explaining concepts and strategies pertinent to standard options, such as covered calls, protective puts, cash-secured puts, various spreads (e.g., short call spread, short put spread), and straddles.²⁰ This aligns with the offerings of major U.S. brokerages operating within the regulated options market.

Pricing Structure

Ally Invest offers commission-free trades for options but charges a per-contract fee, which is typically \$0.50.³ This competitive pricing is often highlighted in brokerage comparisons.¹⁷ This fee structure is characteristic of standard listed options trading at regulated brokers and differs significantly from the payout/loss model typical of binary options platforms.¹⁰

Regulatory Framework

Ally Invest Securities LLC, the entity through which securities products are offered, is a registered broker-dealer and member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC).⁹ This membership signifies adherence to U.S. securities regulations. The options trading offered falls

under the purview of regulators like the Securities and Exchange Commission (SEC). Ally Invest directs clients to the standard industry disclosure document, "Characteristics and Risks of Standardized Options," provided by The Options Clearing Corporation (OCC).⁹ This regulatory alignment contrasts sharply with the environment surrounding many binary options providers, particularly those operating online from offshore locations, which may lack regulatory oversight and compliance with U.S. laws.¹⁰

Absence of Binary Options Features

Crucially, none of Ally Invest's materials describing its options trading features¹⁶ mention the defining traits of binary options. There is no reference to:

- A fixed, predetermined "all-or-nothing" payout structure.
- Contracts based purely on a yes/no prediction about price movement relative to a target by a specific time.
- Automatic exercise resulting solely in a fixed cash payment or zero, without the right to buy/sell the underlying asset.

Instead, Ally Invest's discussion centers on standard options concepts: strike prices, expiration dates, the mechanics of assignment, exercising the right to buy or sell the underlying security (or cash settlement for index options), and conventional strategies involving these elements.¹⁹ The detailed explanations of how standard options work, the tools provided (like options chains and strategy builders focusing on spreads and straddles), and the reference to standard regulatory disclosures all point exclusively to conventional options trading. The complete lack of terminology, mechanics, or risk disclosures specific to binary options confirms their exclusion from the platform.

Understanding Binary Options: A Distinct Product

To fully appreciate why Ally Invest does not offer them, it is helpful to understand what binary options are and how they differ from the standard options Ally provides.

Definition and Mechanics

A binary option is a type of derivative contract where the payoff is a fixed monetary amount or nothing at all, based on whether the price of an underlying asset will be above or below a specified price at a specific time.¹⁰ Unlike standard options, which grant the holder the right (but not the obligation) to buy or sell an underlying asset at a set price, binary options typically do not confer such rights.¹¹ The outcome is purely based on the yes/no proposition. If the prediction is correct, the holder receives the predetermined payout; if incorrect, the holder loses the entire amount invested in that

option.¹⁰ Exercise is automatic based on whether the condition is met at expiration.¹¹ Binary options can be based on various underlying references, including stock prices or indices, commodity prices, foreign exchange rates, or even the outcome of economic data releases.¹⁴

Regulatory Landscape and Risks

The regulatory status of binary options is complex and varies significantly. While some binary options are traded on regulated exchanges in the U.S. (such as Nadex, overseen by the Commodity Futures Trading Commission - CFTC) or designated contract markets subject to SEC or CFTC oversight, a large segment of the market operates through online platforms.¹⁰ Many of these internet-based platforms are not registered with U.S. regulators and may be operating illegally.¹⁰

U.S. regulators like the SEC and CFTC have issued numerous investor alerts regarding fraudulent schemes associated with unregistered binary options platforms.¹¹ Common complaints include refusal to credit customer accounts or return funds, identity theft, and manipulation of trading software to generate losing trades for customers.¹⁰ Offering binary options that qualify as securities without SEC registration (or an applicable exemption) is illegal.¹¹ Furthermore, platforms facilitating these trades might be acting as unregistered broker-dealers or securities exchanges.¹¹

This challenging regulatory environment and the prevalence of fraud contribute to the reputational risk associated with the term "binary options." Major regulated U.S. financial institutions, whose brands are built on trust and compliance, generally avoid product categories heavily flagged by regulators for potential illegal activity and investor harm. Offering standard, regulated options provides a clearer, safer path within the established financial system.

Comparison: Standard Options vs. Binary Options

The following table highlights the key differences between the standard options offered by Ally Invest and binary options:

Feature	Standard Options (Ally Invest Type)	Binary Options
Payout Structure	Variable profit/loss potential based on the difference between asset price and	Fixed payout if correct ("in the money"), loss of entire premium if incorrect ("out of

	strike price	the money")
Risk/Reward	Defined risk for buyers (premium paid), potentially unlimited profit. Unlimited risk for uncovered sellers.	Fixed risk (premium paid) and fixed reward defined upfront ¹⁰
Holder's Rights	Right (not obligation) to buy (call) or sell (put) the underlying asset at the strike price ²⁰	Typically no right to buy/sell underlying asset; contract settles in cash ¹¹
Exercise	Holder decides whether to exercise (American-style) or automatic exercise at expiration if in the money (European-style, Index options) ¹⁹	Automatic exercise based on whether the binary condition is met at expiration ¹¹
Underlying Assets	Primarily stocks, ETFs, indices ²⁰	Stocks, indices, commodities, Forex, economic events ¹⁴
Typical Trading Venue	Regulated exchanges (e.g., CBOE) ¹⁹	Some on regulated exchanges (e.g., Nadex), many on unregulated online platforms ¹⁰
Regulation (Typical)	Regulated by SEC/CFTC, traded via FINRA member brokers ⁹	Varies; many online platforms lack U.S. registration and oversight ¹⁰
Key Risk Highlighted by Regulators	Market risk, leverage risk, complexity	Fraud, manipulation, non-payment, identity theft on unregulated platforms ¹⁰

Data sourced from: ⁹

Historical Context: TradeKing and Binary Options

While the current status under Ally Invest is clear, the original query included investigating TradeKing's historical offerings. Based on the available information concerning TradeKing's business model prior to its acquisition, there is no indication

that it offered binary options. Descriptions of TradeKing focus on its role as an online broker/dealer for self-directed investors (implying standard securities like stocks and options), its robo-advisory service, and its educational and social community features.⁴

Reports surrounding the acquisition detail the assets Ally gained, such as the brokerage platform, client accounts, assets under management, and technology.² Binary options are never mentioned as part of the acquired business lines. While TradeKing did evolve, for instance, by acquiring client assets from MB Trading and having a partnership with GAIN Capital for Forex (which was later dropped)⁵, these activities appear confined to more conventional brokerage areas. The consistent absence of any reference to binary options in descriptions of TradeKing's services or during the detailed reporting of the \$275 million acquisition strongly suggests they were not part of TradeKing's offerings.

Conclusion

The analysis confirms the following key points:

1. **TradeKing is now Ally Invest:** TradeKing ceased independent operations after being acquired by Ally Financial in 2016 and was fully rebranded as Ally Invest in 2017.¹ Ally Invest is the entity responsible for current product offerings.
2. **Ally Invest Does Not Offer Binary Options:** A thorough review of Ally Invest's official website, product documentation, platform features, fee schedules, and supporting information from reputable third-party financial sources consistently shows that binary options are not offered.¹²
3. **Standard Options Are Available:** Ally Invest provides a platform for trading standard, exchange-listed call and put options on equities and indices, supported by relevant tools and educational resources.¹⁷
4. **Binary Options Are Distinct and Carry Risks:** Binary options differ fundamentally from standard options in their structure and payout. Many operate in a less regulated space, posing significant risks of fraud and manipulation, which makes them an unlikely offering for a regulated institution like Ally Invest.¹⁰
5. **No Evidence of Historical Offering by TradeKing:** Available information about TradeKing's business prior to its acquisition does not indicate that it ever offered binary options trading.⁴

In summary, investors seeking to trade binary options will not find this product available at the brokerage formerly known as TradeKing, which now operates as Ally Invest. Ally Invest focuses on providing a range of conventional investment products, including standard options, within a regulated framework integrated with its banking

services.

Works cited

1. Ally Financial - Wikipedia, accessed on April 22, 2025, https://en.wikipedia.org/wiki/Ally_Financial
2. Ally Financial Completes Acquisition of TradeKing Group - PR Newswire, accessed on April 22, 2025, <https://www.prnewswire.com/news-releases/ally-financial-completes-acquisition-of-tradeking-group-300278011.html>
3. Ally Launches Ally Invest, Delivering the Best of Both Worlds with Investment Services Alongside Banking in a Single, Integrated Customer Experience - May 12, 2017, accessed on April 22, 2025, <https://media.ally.com/2017-05-12-AllyInvest>
4. Ally Financial Announces Acquisition of TradeKing Group - PR Newswire, accessed on April 22, 2025, <https://www.prnewswire.com/news-releases/ally-financial-announces-acquisition-of-tradeking-group-300246385.html>
5. TradeKing to Be Acquired by Ally Financial for \$275 million | Finance Magnates, accessed on April 22, 2025, <https://www.financemagnates.com/forex/brokers/tradeking-get-acquired-ally-financial-275-mln/>
6. securities and exchange commission - SEC.gov, accessed on April 22, 2025, <https://www.sec.gov/Archives/edgar/data/40729/000004072918000035/ally2017123110-k.htm>
7. Ally Financial acquires robo-adviser TradeKing for \$275 million - Investment News, accessed on April 22, 2025, <https://www.investmentnews.com/fintech/ally-financial-acquires-robo-adviser-tradeking-for-275-million/67025>
8. Ally Financial Acquires TradeKing for \$275 Million - Finovate, accessed on April 22, 2025, <https://finovate.com/ally-financial-acquires-tradeking-275-million/>
9. Ally Corporate Finance | Ally Financial, accessed on April 22, 2025, <https://www.ally.com/corporate-finance/>
10. The Basics of Investing In Binary Options - Washington State Department of Financial Institutions, accessed on April 22, 2025, <https://dfi.wa.gov/financial-education/information/basics-investing-binary-options>
11. Investor Alert: Binary options and Fraud - SEC.gov, accessed on April 22, 2025, https://www.sec.gov/investor/alerts/ia_binary.pdf
12. Ally Invest®: Investing Services, Online Trading - Invest With Us, accessed on April 22, 2025, <https://www.ally.com/invest/>
13. Ally: Banking, Investing & Auto Finance, accessed on April 22, 2025, <https://www.ally.com/>
14. Binary Options: Strategies for Directional and Volatility Trading: Nekritin, Alex - Amazon.com, accessed on April 22, 2025, <https://www.amazon.com/Binary-Options-Strategies-Directional-Volatility/dp/1118>

[407245](#)

15. History of Ally, accessed on April 22, 2025, <https://www.ally.com/about/history/>
16. Self-Directed Trading: Trade Stocks, Options, ETFs | Ally Invest®, accessed on April 22, 2025, <https://www.ally.com/invest/self-directed-trading/>
17. Ally Invest Review 2025: Pros, Cons and How It Compares ..., accessed on April 22, 2025, <https://www.nerdwallet.com/reviews/investing/brokers/ally-invest>
18. Investing Education Center | Learn How to Invest - Ally, accessed on April 22, 2025, <https://www.ally.com/do-it-right/investing/>
19. Ally Invest Help Center: Trading FAQs | Ally Invest, accessed on April 22, 2025, <https://www.ally.com/help/invest/trading/>
20. Options Trading: Why Trade Options? | Ally Invest®, accessed on April 22, 2025, <https://www.ally.com/invest/self-directed-trading/options-trading/>
21. Understanding Cryptocurrency & Your Options with Ally Invest®, accessed on April 22, 2025, <https://www.ally.com/invest/cryptocurrency/>
22. Login | Ally, accessed on April 22, 2025, <https://secure.ally.com/>
23. Online Enrollment | Login - Ally Auto, accessed on April 22, 2025, <https://secure.ally.com/enroll/>
24. Open Account - Ally Auto, accessed on April 22, 2025, <https://secure.ally.com/open-account/>
25. Best Online Brokers for Options Trading in April 2025 | Bankrate, accessed on April 22, 2025, <https://www.bankrate.com/investing/best-brokers-options-trading/>
26. Best Online Brokers and Trading Platforms for April 2025 - Investopedia, accessed on April 22, 2025, <https://www.investopedia.com/best-online-brokers-4587872>
27. In the Money - Fidelity Investments, accessed on April 22, 2025, https://www.fidelity.com/bin-public/600_Fidelity_Com_English/documents/learning-center/041025_EXTERNAL_PODCAST_ITM.pdf
28. TradeKing - Battery Ventures, accessed on April 22, 2025, <https://www.battery.com/company/tradeking/>