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Former Trader for Major Multinational Bank Convicted for Price Fixing and Bid Rigging in FX Market

A former currency trader was convicted today in New York for his participation in an antitrust conspiracy to manipulate prices for emerging market currencies in the global foreign currency exchange (FX) market, the Justice Department announced today.

Following a three-week trial in the U.S. District Court for the Southern District of New York, a jury convicted Akshay Aiyer (former Executive Director at a major multinational bank) of conspiring to fix prices and rig bids in Central and Eastern European, Middle Eastern and African (CEEMEA) currencies, which were generally traded against the U.S. dollar and the euro, from at least October 2010 through at least January 2013.

“Today, a jury of citizens held the defendant accountable for fixing prices and rigging bids for emerging market currencies traded in the United States and elsewhere,” said Assistant Attorney General Makan Delrahim of the Department of Justice’s Antitrust Division. “This conviction serves as a reminder of our commitment to hold individuals responsible for their involvement in complex financial schemes which violate the integrity of the global financial markets.”

“Today’s verdict holds the defendant accountable for manipulating the foreign currency market for his own benefit at the expense of free and open competition,” said Federal Deposit Insurance Corporation (FDIC) Inspector General Jay N. Lerner. “We are dedicated to working with our law enforcement partners to investigate such complex crimes which undermine the integrity of financial markets, and to bring bank insiders to justice.”

According to evidence presented at trial, the defendant engaged in near-daily communications with his co-conspirators by phone, text and through an exclusive electronic chat room to coordinate their trades of the CEEMEA currencies in the FX spot market. The jury heard evidence that the defendant and his co-conspirators manipulated exchange rates by agreeing to withhold bids or offers to avoid moving the exchange rate in a direction adverse to open positions held by co-conspirators and by coordinating their trading to manipulate the rates in an effort to increase their profits. By agreeing not to buy or sell at certain times, the conspiring traders protected each other’s trading positions by withholding supply of or demand for currency and suppressing competition in the FX spot market for emerging market currencies. They also heard evidence that the defendant and his co-conspirators took steps to conceal their actions by,

among other steps, using code names, communicating on personal cell phones during work hours and meeting in person to discuss particular customers and trading strategies.

The Antitrust Division has charged five companies and six individuals in its investigation of collusion in the FX spot market. On May 20, 2015, four major banks – Citicorp, JPMorgan Chase & Co., Barclays PLC and The Royal Bank of Scotland plc – pleaded guilty and agreed to pay collectively more than \$2.5 billion in criminal fines for their participation in an antitrust conspiracy in the euro-U.S. dollar FX spot market. On Jan. 25, 2018, BNP Paribas USA Inc. pleaded guilty and agreed to pay a \$90 million criminal fine for its participation in an antitrust conspiracy involving emerging market FX prices. On Jan. 4, 2017 and Jan. 12, 2017, plea agreements were announced for two former traders in connection with an antitrust conspiracy involving emerging market FX prices.

The Antitrust Division’s investigation of collusion in the financial markets is ongoing. The investigation in today’s case is being conducted by the FDIC Office of Inspector General and the FBI’s Washington Field Office, and the prosecution is being handled by the Antitrust Division’s New York Office. The Criminal Division’s Fraud Section also provided substantial assistance in this matter. Anyone with information on price fixing, bid rigging or other anticompetitive conduct in the financial markets should contact the Antitrust Division’s New York Office at 212-335-8000 or visit www.justice.gov/atr/contact/newcase.html.