

September 16, 2019

In CFTC Action, Former Precious Metal Trader Admits to Engaging in Spoofing at Two New York Banks

Washington, DC — The U.S. Commodity Futures Trading Commission today issued an order filing and settling charges against **Christian Trunz**, a former precious metals trader at two financial institutions who entered into a formal cooperation agreement with the CFTC's Division of Enforcement and admitted to spoofing in the futures markets. This case was brought in connection with the Division's Spoofing Task Force.

"This enforcement action demonstrates the CFTC's commitment to aggressively pursuing individuals who spoof in our markets," said CFTC Director of Enforcement James McDonald. "This case also shows that, where an individual acknowledges wrongdoing and demonstrates a commitment to cooperate and provide substantial assistance to our pursuit of other offenders, the CFTC will take that into account when assessing the cooperator's sanctions."

In its order, the CFTC found that Trunz, a U.S. citizen and resident of the United Kingdom, engaged in spoofing on thousands of occasions in the precious metals futures markets between 2007 and 2016 while employed at two New York banks. The order requires Trunz to cease and desist from violating the Commodity Exchange Act's prohibition on spoofing.

The order finds that Trunz and others at the banks placed futures orders they intended to cancel before execution, to induce other market participants to trade against the orders Trunz and others at the banks wanted filled. The order finds that these orders were entered in a manner designed to move the price of futures contracts in a direction that was favorable for Trunz and others at the banks, for the purpose of maximizing trading profits and minimizing trading losses, at least in part for the benefit of the banks. The order also finds that Trunz learned the trading strategy of spoofing from more senior traders at the banks, and deployed this strategy with the knowledge and consent of his immediate supervisors.

The order recognizes Trunz's entry into a formal cooperation agreement with the CFTC and, pursuant to that agreement, reserves the CFTC's determination as to sanctions against Trunz.

Trunz previously pleaded guilty in federal court to one count of spoofing and one count of conspiracy to commit spoofing. See *United States v. Trunz*, No. 19-CR-375 (E.D.N.Y.).

The CFTC acknowledges and thanks the Fraud Section of the Department of Justice's Criminal Division and the Federal Bureau of Investigation for their assistance in this matter.

The CFTC Division of Enforcement staff members responsible for this case are Trevor Kokal, David C. Newman, Mark A. Picard, Steven I. Ringer, Jordon Grimm, Patrick Marquardt, Lenel Hickson, Jr., and Manal M. Sultan.

-CFTC-