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**CFTC Files Eight Anti-Spoofing Enforcement
Actions against Three Banks (Deutsche Bank,
HSBC & UBS) & Six Individuals**

Washington, DC — The Commodity Futures Trading Commission today announced, in conjunction with the Department of Justice and Federal Bureau of Investigation's Criminal Investigative Division, criminal and civil enforcement actions against three banks and six individuals involved in commodities fraud and spoofing schemes.

Division of Enforcement Director James McDonald said, “Spoofing is a particularly pernicious example of bad actors seeking to manipulate the market through the abuse of technology. The technological developments that enabled electronic and algorithmic trading have created new opportunities in our markets. At the CFTC, we are committed to facilitating these market-enhancing developments. But at the same time, we recognize that these new developments also present new opportunities for bad actors. We are equally committed to identifying and punishing these bad actors. The CFTC’s enforcement program is built around the twin goals of holding wrongdoers accountable and deterring future misconduct. We believe these goals are best achieved when we hold accountable not just companies, but also the individuals involved. As these cases show, we will work hard to identify and prosecute the individual traders who engage in spoofing, but we will also seek to find and hold accountable those who teach others how to spoof, who build the tools designed to spoof, or who otherwise aid and abet the wrongdoing. These cases should send a strong signal that we at the CFTC are committed to identifying individuals responsible for unlawful activity and holding them accountable.”

See summary of actions below. Full press releases, including charging documents and specific comments on each case from McDonald at cftc.gov.

[Deutsche Bank](#)

The CFTC today issued an Order filing and settling charges against **Deutsche Bank AG** (DB AG) and **Deutsche Bank Securities Inc.** (DBSI) (collectively, DB), requiring DB to pay a \$30 million civil monetary penalty and to undertake remedial relief. The Order finds that from at least February 2008 and continuing through at least September 2014, DB AG, by and through certain precious metals traders (Traders), engaged in a scheme to manipulate the price of precious metals futures contracts by utilizing a variety of manual spoofing techniques with respect to precious metals futures contracts traded on the Commodity Exchange, Inc. (COMEX), and by trading in a manner to trigger customer stop-loss orders.

[UBS](#)

The CFTC today issued an Order filing and settling charges against **UBS AG** (UBS), requiring UBS to pay a \$15 million civil monetary penalty and to undertake remedial relief. The Order finds that from January 2008 through at least December 2013, UBS, by and through the acts of certain precious metals traders on the spot desk (Traders), attempted to manipulate the price of precious metals futures contracts by utilizing a variety of manual spoofing techniques with respect to precious metals futures contracts traded on the Commodity Exchange, Inc. (COMEX), including gold and silver, and by trading in a manner to trigger customer stop-loss orders.

[HSBC](#)

The CFTC today issued an Order filing and settling charges against **HSBC Securities (USA) Inc.** (HSBC) for engaging in numerous acts of spoofing with respect to certain futures products in gold and other precious metals traded on the Commodity Exchange, Inc. (COMEX). The Order finds that HSBC engaged in this activity through one of its traders based in HSBC's New York office. The Order requires HSBC to pay a civil monetary penalty of \$1.6 million, to cease and desist from violating the Commodity Exchange Act's prohibition against spoofing, and to take specified steps to implement and strengthen their training, systems, and controls to detect and deter spoofing by HSBC personnel in the futures markets. In accepting HSBC's offer of settlement, the CFTC recognizes the bank's cooperation during the Division of Enforcement's investigation of this matter.

[Krishna Mohan](#)

The CFTC today announced the filing of a federal court enforcement action in the U.S. District Court for the Southern District of Texas against **Krishna Mohan** of New York City, New York, charging him with spoofing (bidding or offering with the intent to cancel before execution) and engaging in a manipulative and deceptive scheme in the E-mini Dow (\$5) futures contract market on the Chicago Board of Trade and the E-mini NASDAQ 100 futures contract market on the Chicago Mercantile Exchange.

[Jitesh Thakkar & Edge Financial Technologies](#)

The CFTC today announced the filing of a federal court enforcement action in the U.S. District Court for the Northern District of Illinois, charging **Jitesh Thakkar** of Naperville, Illinois, and his company, **Edge Financial Technologies, Inc.** (Edge), with aiding and abetting spoofing and a manipulative and deceptive scheme in the E-mini S&P futures contract market on the Chicago Mercantile Exchange (E-mini S&P).

[Jiongsheng Zhao](#)

The CFTC today announced the filing of a federal court enforcement action in the U.S. District Court for the Northern District of Illinois against Defendant **Jiongsheng Zhao**, of Australia, charging him with spoofing and engaging in a manipulative and deceptive scheme in the E-mini S&P 500 futures contract market on the Chicago Mercantile Exchange (CME).

[James Vorley & Cedric Chanu](#)

The CFTC announced the filing of a civil enforcement action in the U.S. District Court for the Northern District of Illinois against **James Vorley**, a U.K. resident, and **Cedric Chanu**, a United Arab Emirates resident, charging them with spoofing and engaging in a manipulative and deceptive scheme in the precious metals futures markets.

[Andre Flotron](#)

The CFTC announced the filing of a civil enforcement action in the U.S. District Court for the District of Connecticut against **Andre Flotron**, of Switzerland, charging him with engaging in a manipulative and deceptive scheme and spoofing in the precious metals futures markets on a registered entity.

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