



Commodity Futures Trading Commission

Office of Public Affairs

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Examples of Misconduct from Written Communications

Examples of False Reports and Attempts to Manipulate U.S. Dollar LIBOR

March 22, 2005: (emphasis added)

U.S. Dollar LIBOR Submitter:

if you need something in particular in the libors i.e. you have an interest in a high or a low fix let me know and there's a high chance i'll be able to go in a different level. just give me a shout the day before or send an email from your blackberry first thing.

New York U.S. Dollar Trader 1:

Thanks - our CP guys have been looking for it a bit higher - not a big deal

U.S. Dollar LIBOR Submitter:

if anything the cash has actually cheapened up since yesterday too albeit by 1/2 tick - true could get some sub 75 days thru the next week

April 1, 2005: (emphasis added)

London U.S. Dollar Trader 1:

COULD WE PLS HAVE A LOW 6MTH FIX TODAY OLD BEAN?

September 21, 2005: (emphasis added)

London MMD Manager:

Subject: "\$ LIBORS: 83, 89, 96 and 11

LOWER MATE LOWER !!

U.S. Dollar LIBOR Submitter:

will see what i can do but it'll be tough as the cash is pretty well bid

London MMD Manager:

[Another U.S. Dollar Panel Bank] IS DOIN IT ON PURPOSE BECAUSE THEY HAVE THE EXACT OPPOSITE POSITION - ON WHICH THEY LOST 25MIO SO FAR - LET'S TAKE THEM ON!!

U.S. Dollar LIBOR Submitter:

ok, let's see if we can hurt them a little bit more then

February 28, 2007: (emphasis added)

New York U.S. Dollar Trader 2:

LIBOR HIGHER TOMORROW?

U.S. Dollar LIBOR Submitter:

shouldn't be

New York U.S. Dollar Trader 2:

COME ON. **WE ALWAYS NEED HIGHER LIBORS !!!**
HAHA

U.S. Dollar LIBOR Submitter:

haha, i'll do my best fkcer

New York U.S. Dollar Trader 2:

NO WORRIES. JUST CURIOUS, U SURVE THE DEBACLE OF TH PAST 24 HRS>

August 13, 2008: (response to U.S. Dollar LIBOR Submitter's email) (emphasis added)

New York U.S. Dollar Senior Trader: **Subject: \$ libors unch**

**Oh bullshit.....strap on a pair and jack up the 3M.
Hahahahaha**

November 28, 2006: (emphasis added)

New York U.S. Dollar Senior Trader: **Altho I don't have a huge 1 mL fix tomw, I am paying 1 mL on about 40bn throughout December so I was hoping for a low 1 mL fix tomw to set the tone**

August 12, 2007: (emphasis added)

New York Regional Manager:

If possible, we need in NY 1mo libor as low as possible next few days....tons of pays coming up overall....thanks!

U.S. Dollar LIBOR Submitter:

Will do our best [New York Regional Manager]. I'll coordinate the overnight in the same way as we did last week with [New York U.S. Dollar Trader 1] tomorrow

December 13, 2007: (emphasis added)

Frankfurt Non-Euro Desk Manager: **[London Pool Trading Manager], I NEED YOUR HELP...IF IT SUITS YOU CAN WE PUT IN A HIGH LIBOR TILL NEXT TUESDAY IN THE 3 MTS?**

London Pool Trading Manager: ok

Examples of False Reports and Attempts to Manipulate Euribor

July 10, 2005: (emphasis added)

London MMD Manager:

HI FRDS ANY CHANCE TO PUSH UP YOUR CONTRIBUTION TO THE 3MTH EURIBOR FIX?

Euribor Submitter:

HI [Euribor Submitter] HERE USUALLY IT WOULD BE 11 ON OUR SIDE SO DO U REALLY NEED A 12 FOR TODAY AS DB CONTRIBUTION?

London MMD Manager:

EONIA AT 2.068 AND O/N TRADING 2.08 IT WUD MAKE SENSE TO HAVE A HIGHER 3MTH FIX. WE SHORT A LOT OF JUNES ABOUT 40000 LOTS

Euribor Submitter:

OK WE WILL CONTRIBUTE A 12 FOR TODAY AND MONDAY HAVE A NICE WEEKEND

London MMD Manager:

THX A LOT [. .]

July 6, 2006: (emphasis added)

Frankfurt Euro Desk Manager:

HIHI [London MMD Manager], I JUST WANT TO CHECK WHETHER WE HAVE CONFLICTING INTERESTS IN THE JUNE 06 SETTLEMENT. IT DOESN'T MAKE SENSE IF WE TRY TO PUSH ONE WAY AND U WLD LIKE TO HAVE IT THE OTHER WAY AROUND. WE WLD PREFER A LOW 3ME FIXING TO PUSH JUNE06 HIGH. IS THIS UR PREFERENCE AS WELL?

London MMD Manager:

THX VM FOR CHECKING [Frankfurt Euro Desk Manager] - YES WE WOULD PREFER A LOW FIXING AS WELL

Frankfurt Euro Desk Manager:

THX [London MMD Manager], THAT WILL MAKE US MORE POWERFUL IN PUSHING THE FIX WE WANT IT.

March 23, 2007: (emphasis added)

Frankfurt Euro Desk Manager:

FIXINGS AS USUAL MONSIEUR? LOW 1M HIGH 6M (SAME HERE)

London MMD Manager:

yes please - thank you very much [Frankfurt Euro Desk Manager]

Frankfurt Euro Desk Manager:

DE RIEN

April 13, 2007: (to Frankfurt Euro Desk Manager) (emphasis added)

Yen Desk Manager:

HI MATE, JUST FOR UR GUIDE. WE TRY TO BID UP IN THE 3M TO PUSH THE FIX A BIT.

June 21, 2007: (to London MMD Manager) (emphasis added)

Frankfurt Euro Desk Manager:

WE CONTINUE TO OFFER 1M CASH IN THE MARKTE TO KEEP 1ME FIX ON THE LOW SIDE.

July 03, 2008: (emphasis added)

London MMD Manager:

[Frankfurt Regional Manager], **I have a big favor to ask you.** Tell me.

Frankfurt Regional Manager:

And, uh ... **a big, big, big favor.**

London MMD Manager:

Ok.

Frankfurt Regional Manager:

Bon. In March ...

London MMD Manager:

Yes.

Frankfurt Regional Manager:

We have, eh, **we have 20 yards of a 6 month fixing.** [. . .] A lot in in March. **So, basically, um, basically, uh, we need high 6 month.**

London MMD Manager:

You need high 6 month, ok.

Frankfurt Regional Manager:

High 6 month, yes.

London MMD Manager:

Sure, we will get high 6 month, no worries.

Frankfurt Regional Manager:

High.

London MMD Manager:

We will get high 6 month.

Frankfurt Regional Manager:

Es . . . **especially on the IMM, on the 19th I have 7 yards.**

London MMD Manager:

September 26, 2008: (emphasis added)

London MMD Euro Trader 2:

Just to let you know, it would suit me very much to have a high LIBOR tomorrow. So, I don't know if you can put it high or not or whatever it is, just to let you know, tomorrow it suits me to have high 3s.

Euribor Submitter:

Umm. Yeh, there's one thing. **We have to be careful. Usually we quote below Euribor, and right now we usually quote around 4 to 5 basis points below the expected Euribor just to show that we are on the better quality of the range of the contributors.**

London MMD Euro Trader 2:

I see ...

Euribor Submitter:

So that's why, right now, if you look at our quote compared to the other contributors . . .

London MMD Euro Trader 2:

I know, **I've been noticing that, that's why I thought I would ask you if there is there any chance if you can put it up for me.** I would really appreciate that. Just for tomorrow, ok?

Euribor Submitter:

My coworker here says something, maybe 21 is possible.

Examples of Coordination with Derivatives Traders at Other Banks to Manipulate Euribor

June 9, 2005: (emphasis added)

Bank A Euro Swaps Trader:

Amigo checked with my FFT their 3m euribor contribution which seems v low at 2.11 like ur FFT have u checked with yuoyr guys???

London MMD Manager:

will tell them from tomorrow to put a higher fix..its way too low

September 29, 2005:

London MMD Manager:

DON'T FORGET TO SET A HIGH FIX TODAY!

Barclays Senior Euro Swaps Trader:

I told them they're going to set it at 2.13

London MMD Manager:

goodness! that's going to hurt

That same day:

London MMD Manager:

DONT FORGET THIS HIGH 3M FIX FOR THE FRA/EONIA SPREADS

Bank A Euro Swaps Trader:

we go for 18

London MMD Manager:

hoping to go as high as that as well

September 11, 2006:

London MMD Manager:

in October, we'll set the fixings at the sky, or that's not good for you?

Barclays Senior Euro Swaps Trader:

no, no, **at the sky is good better for me**

September 28, 2006: (emphasis added)

Bank B Euro Swaps Trader:

mate how u positionned on 3mth fras at the moment? u have interest in a high or low libors?

London MMD Manager:

wud still love high rates mate, but i have to say that i bought loads of them some six months ago and sold back at high levels to our mutual clients let s say on emonth ago . . . so, nothing huge in my book for now . . . i reckon u're in the same position right?

Bank B Euro Swaps Trader:

I need high libors in octobers and lower in november WOULD LOVE IT . . . do u speak to ur guys in frankfurter for the fixing? [. .]

London MMD Manager:

yes and to [Bank A Euro Swaps Trader] as well - my fft will put a high fix all along october. . can u speak to your cash guys if it suits u ?

Bank B Euro Swaps Trader:

will try, certainly

December 29, 2006: (emphasis added)

Barclays Euro Swaps Trader:

today we need a low 3 month fixing, could you tell your guys as well if it suits you

London MMD Euro Trader:

oh yes!!

April 9, 2008: (emphasis added)

London MMD Manager:

you're going to help me, promise me?????

Barclays Senior Euro Swaps Trader:

ahaah of course, mate, it looks like it wants to move big time [. . .]

London MMD Manager:

seriously mate, are you really helping [London MMD Euro Trader]

Barclays Senior Euro Swaps Trader: **I'm going to help her big time**

May 28, 2008: (telephone call to Barclays Euro Swaps Trader) (emphasis added)

London MMD Manager:

Every day, every day I speak to my cash desk, to the cash brokers. I say "You have to raise the six month, you have to raise the six month!"

Examples of False Reports and Attempts to Manipulate Yen LIBOR

June 27-28, 2006: (emphasis added)

Senior Yen LIBOR Submitter:

i will need high 1m jpy tomorrow, and low on thursday if u can have a look. i think 18.5 and 17.5 should work. thanks.

Junior Yen LIBOR Submitter:

going in 0.19 in 1mth today....ubs went in at 21 yday so should be fine.....

September 18, 2006: (email to Junior Yen LIBOR Submitter)

Senior Yen Trader-Submitter:

Hello Mate, Could you put 6m jpy libor at 48.5 pls 1m at 36.5 3m at 42 Thanks

September 29, 2006: (emphasis added)

Senior Yen Trader-Tokyo:

Hi, [Senior Yen LIBOR Submitter]. **I like to have a lower 3&6 month Libor today.** [Senior Yen Trader-Tokyo].

Senior Yen LIBOR Submitter:

OK NO PB

Senior Yen Trader-Tokyo:

Tks vm, I don't like the spread between Libor and the implied is too wide ... Good day.

December 21, 2006: (emphasis added)

Tokyo Regional Manager:

are you doing libors today, esp JPY or is [Senior Yen LIBOR Submitter]?

Junior Yen LIBOR Submitter:

shld be [Yen Desk Manager] setting, let him know yr axes...i'll be inputting next week if need anything then mate

...

Tokyo Regional Manager:

[Senior Yen Trader-Tokyo] will BBG you next week if he needs anything.. cheers mate

Follow-up instant message to Yen Desk Manager the same day:

Tokyo Regional Manager:

is [Senior Yen LIBOR Submitter] in or are you doing JPY libors today?

Yen Desk Manager:

[Senior Yen LIBOR Submitter] is doing it

Tokyo Regional Manager:

he is not picking [Senior Yen Trader-Tokyo] up ... could you ask him to go high in 1m and 6m?

August 31, 2007: (emphasis added)

Senior Yen LIBOR Submitter:

I don't have much in JPY fixings next week, just need to keep 3m and 6m on the high side I will try to send you levels will be on bbry if anything thanks very much

Junior Yen LIBOR Submitter:

Cool, cheers and enjoy your holiday mate

October 4, 2007: (emphasis added)

Tokyo Regional Manager:

Morning Monsieur, couple of questions... **-Do you have a special axe re Libor settings at the moment? I've noticed**

Yen Desk Manager:

you tend to be on the high side.. if you don't mind, lower fixings would suit us better in general [. . .]
Hi mate , the libors are set by [Senior Yen LIBOR Submitter] as he got more exposure on the fixing than in the cash book , I ll fwd ur message to him

January 18, 2008: (emphasis added)

Tokyo Regional Manager:

Hi [Senior Yen LIBOR Submitter], thanks very much for FRA trades you've done for us... **another favour to ask: could we get low 1m and high 3m fixing today?** thanks!
i will try

Senior Yen LIBOR Submitter:

Follow-up message sent later that day:

Tokyo Regional Manager:

why did you go in low 3m fixing? we had 17 trillion [yen] so it coming lower cost us a lot
sorry I messed up that one, i thought i had left 91
you owe me a drink!

Senior Yen LIBOR Submitter:

Tokyo Regional Manager:

Examples of Coordination with Derivatives Traders at Other Banks to Manipulate Yen LIBOR

August 28, 2008: (emphasis added)

UBS Senior Yen Trader:

look i appreciate the business and the calls **we should try to share info where possible also let me know if you need fixes one way or the other**
sure sorry mate have to go too busy on many things
and i'll do the same if you have any joy with your setters
no prob

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

Senior Yen Trader-Submitter:

September 1, 2008:

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

Senior Yen Trader-Submitter:

[. .] but going to put high libors today
sure i think you guys are top in 1m anyways
i am mate need it high!

September 18, 2008: (emphasis added)

UBS Senior Yen Trader:

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

you got any ax on 6m fix tonight?
absolutely none but i can help
can you set low as a favour for me?
done
i'll return favour when i can just ask have 75m m jpy a bp tonight
np
thanks so much
[. .] 73/90/99 am putting libors
great thanks mate

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

In a follow-up message the next day, the UBS Senior Yen Trader offered the Senior Yen Trader-Submitter a deal, stating, **“in fact cause you helped me on 6m yday.”**

May 21, 2009: (emphasis added)

UBS Senior Yen Trader:

cld you do me a favour would you mind moving you 6m
libor up a bit today, i have a gigantic fix i am limit short
can't sell anymore just watch

Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

i can do that
thx

Follow-up message the next day:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

u happy with me yesterday?
thx i don't see it going up again today
me too
only you and [Yen Panel Bank A] moved

June 15, 2009:

UBS Senior Yen Trader:

is there any chance you cld set a high 6m tonight, just tonight, i have 1..5m usd bp fix no worries if you can't god knows where that all came from

Senior Yen Trader-Submitter:

hum i think my libors will be unch for a while now....my led is quite high and i do not want 3m libor up

UBS Senior Yen Trader:

me neither i need low 3m no prob ustnd you will help me out when 6m goes over the turn tho? i have 1m usd a bp that day too

June 26, 2009: (emphasis added)

Senior Yen Trader-Submitter:
UBS Senior Yen Trader:
Senior Yen Trader-Submitter:

Hello big boy
hi

is there a date u see we could have 6m libor ot is no point being stubborn in that direction an i do sthing else sorry 6m lower hopeviuosly no for teh next 3 weeks

[. . .]

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

basically i will help you in 2 weeks time i am the saem way perfect
but for the next 2weeks i really really need you to put 6m higher

[. . .]

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:

after that i need 6m to crash off like you
that is no problem for me, i do nothing with the cash guys until then

UBS Senior Yen Trader:

i need you to move 6m up for 2 weeks mate

[. . .]

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

but please move 6m up on Monday understood

thx i need you in the panel on Monday
ok enough cheers

i will then get our 6m way down after july 18th it is . . . and will try to get everyone else down too

[. . .]

UBS Senior Yen Trader:

only reason i on bid is i have huge huge position that way so am happy for to come lower after the 17th

Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

ok enough enough **on my fra switch it is your best?**
tell me what you need to see i have a vested interest in making sure our fixings match just don't rip me off too much
i had those round mid i got to go soon
ok -1.5 and -1 am i asking too much?
thats fine

Senior Yen Trader-Submitter:
UBS Senior Yen Trader:
[. . .]

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:
Senior Yen Trader-Submitter:

pls make sure you put the 6m up for me thx
oof enough enough
ok i'll shut up now
of course

June 29, 2009: (emphasis added)

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

pls remember 6m today...
yah no worries... **6m libor today good contrib?**
high pls as high as you can manage we are going 75
anyway whatever you can do thx
sure np...

Senior Yen Trader-Submitter:

July 21, 2009: (emphasis added)

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

i been asked to reduce risk a bit
ok
i still going for lower 6m next month but position is huge
if you want to do some 1y I/t 1 wld help me on risk limits
obviously i am still very much paid and need a low 6m from
next week [. . .]
does not suit me taht much today need high 6m libor
today.....

Senior Yen Trader-Submitter:

UBS Senior Yen Trader:

same how about we do Ov6 spot as well ? so no fix today i
just need to keep the risk guys at bay 200b 1y will bring me in
limit **i will pay you .665 for Ov6 today in same amount to**
knock the fix out if you need i think it does nothing today
the fix that is wld be a massive favour

[. . .]

Senior Yen Trader-Submitter:

can i do 200 and lower my 6m quote? oor we cross fra up to
you mate
rahter just cross the fra pls
that is fair ok we done
thanks

UBS Senior Yen Trader:
Senior Yen Trader-Submitter:
UBS Senior Yen Trader:

July 23, 2009: (emphasis added)

UBS Senior Yen Trader:

ok we need to cordinarte the 6m drop when do you need it
falling?

Senior Yen Trader-Submitter:

whenever

UBS Senior Yen Trader:

ok we need aug 11th you are back by then? if you need
earlier let me know i am going to be away the whole of august
almost if you need anything i am in london and zurich offices
oon blackberry _____@ubs.com will be pushinh lower
6m from aug 11th

Senior Yen Trader-Submitter:

back on the 10th in ldn

UBS Senior Yen Trader:

ok well lets sort 6m out from 11th will make a massive push

Examples of False Reports and Attempts to Manipulate Sterling

December 5, 2006: (to Sterling Desk Manager) (emphasis added)

Senior MMD Sterling Trader:

HI MATE IF WE COULD GO FOR A 28 ON 3S LIBOR
TODAY THAT WOULD BE GREAT

August 8, 2007: (email to Sterling Desk Manager)

Senior MMD Sterling Trader:

LET US KNOW WHEN YOU DO LIBORS. NEED LOW 1S
LOW3

August 1, 2008: (emphasis added)

Sterling LIBOR Submitter:

[. . .] Um, we've got the two fixings up today, we we need a high LIBOR in the ones. Got a yard...

Yeah

Sterling Desk Manager:

Sterling LIBOR Submitter:

...going out so we need a high uh high LIBOR in the ones and we'd need a low screen on the threes. I've got it at forty base points the LIBOR's coming in at like seventy-eight and I've I've moved our screen to like thirty-eight so I've got to modify that ticket at eleven yeah?

January 28, 2009: (emphasis added)

Sterling LIBOR Submitter:

Tomorrow we got the 1.3 billion that will be going out so you'll want to leave that one month at one sixty, which you put the LIBOR is.

Yeah

Sterling Desk Manager:

Sterling LIBOR Submitter:

Umm, other than that, you want, you want the three months low again didn't you? Oh that, that spread is eighty... ah, probably eighty eight and a half, eighty five at the moment. Oh is it?

Yeah, that's what the last I heard.

Sterling Desk Manager:

Sterling LIBOR Submitter:

Fine

Sterling Desk Manager:

Sterling LIBOR Submitter:

Yeah, um, ni, ninety eight, six five, eighty eight and a half [unintelligible]...

Yeah

Sterling Desk Manager:

Sterling LIBOR Submitter:

...eighty, eighty-five bids [unintelligible]...

Sterling Desk Manager:

I'm a, I'm a, I'm happy with that.

August 31, 2010: (emphasis added)

Sterling LIBOR Submitter:

[Senior MMD Sterling Trader's] come over, he wants 3s [unintelligible] libor down a tick [unintelligible]

No, no, no, no, no.

Sterling Desk Manager:

Sterling LIBOR Submitter:

No, he's got a fixing, he said. I said we've got stuff about the 15th of September. We need higher libors, don't we.

Yeah

Sterling Desk Manager:

Sterling LIBOR Submitter:

[. . .] But you need it, we need 3s to go to 76 and 77.

Sterling Desk Manager:

Yeah, I want it higher libor.

Examples of False Reports and Attempts to Manipulate Swiss Franc

March 26, 2007:

London MMD Swiss Franc Trader 1: hello sir, welcome back, you missed nothing, not sure if matches with you but my int is for a lower fixing, thanks

Swiss Franc Submitter 1:

HI [London MMD Swiss Franc Trader 1], NOTED N LET U KNOW.....NO PROBL CIAOOO

September 17, 2007: (emphasis added)

Swiss Franc Submitter 1:

LET ME KNOW ON THE FIXINGS IN CASE U NEED SOMETHG SPECIAL

London MMD Swiss Franc Trader 1: i have been trying to run as little as possible in the tn (as it was just costing me money),.. **another nice low 3m tom would be nice**

September 25, 2008: (emphasis added)

Senior Yen Trader-Submitter:

Swiss Franc Submitter 1:

Senior Yen Trader-Submitter:

Swiss Franc Submitter 1:

can you put a high 3m please?

sure 83?

many thanks **really need low 1 month today** just for tpd day . . .

wud do 61 if u agree problem is not to quote too low to be deleted in the calculation process

November 28, 2008: (emphasis added)

Senior Yen Trader-Submitter:

Swiss Franc Submitter 1:

Senior Yen Trader-Submitter:

can we leave 1m unchanged tuesday? sorry until tuesday
also will check dbqf sorry about that...

sure no probl will quote unchgd 1.00 for 1,2 and 3 mths if ok
many Thanks

July 2, 2009: (emphasis added)

Non-Euro Desk Manager:

Senior Yen Trader-Submitter:

Non-Euro Desk Manager:

Hi morning mate! Do you have any special requests for the libor?

keep 1m, 3m and 6m where they are please

ok will be done mate

March 10, 2010: (emphasis added)

Senior Yen Trader-Submitter:

Swiss Franc Submitter 1:

Senior Yen Trader-Submitter:

Swiss Franc Submitter 1:

what ahppened withyour 6m libor

sh.....did u have a refix?

no not today back to 1 please

sure will take care tom