

Multiple	USD 12,000,000.00 US Dollar
USD 12,000,000.00 US Dollar	EUR 10,981,051.04 Euro
BL0202 - Global Markets	EL0402 - Improper Business or Market Practices
GB - United Kingdom	Western Europe
Loss Event	Published in media 18 March 2025

Citi, RBC, HSBC and Morgan Stanley to pay USD 12 million for exchanging UK bond information in chatrooms

On 18 March 2025, Law360 reported that Citigroup Global Markets, Royal Bank of Canada Europe (RBC), HSBC Bank, and Morgan Stanley had collectively agreed pay USD 12 million (EUR 11 million) for exchanging sensitive information about UK government bonds, known as “gilts”, with other banks in online chatrooms between January 2009 and December 2013.

In June 2023, a pension fund filed a class action lawsuit against Citi, HSBC, RBC, Morgan Stanley and Deutsche Bank. According to the lawsuit’s allegations they had unlawfully shared competitively sensitive information about aspects of the pricing of gilts in online chatrooms, harming investors who transacted billions of dollars’ worth of gilt bonds in the US. The collusion led to lower gilt bond yield curves.

The banks all inflated the prices at which they sold gilts to investors and reduced the prices at which they purchased them, referred to as the “bid-ask spread”. The banks’ gilt traders schemed via online chatrooms to fix the bid-ask spreads.

Morgan Stanley was involved in unlawful exchanges relating to trading, auctions, and buy-back auctions. A single trader based in the UK had conversations three times with a Citi trader between December 2011 and February 2012 and eight times with a Deutsche Bank trader between October 2009 and June 2011.

On 17 March 2025, Citi, HSBC, RBC and Morgan Stanley agreed to pay USD 12 million to settle the lawsuit, of which USD 1 million would go towards the settlement notice and administration costs, and up to USD 500,000 towards litigation expenses. As of 18 March 2025, the individual amounts each bank would pay separately remained unclear in public sources.

The UK Competition and Markets Authority (CMA) had previously issued separate fines to Citi, HSBC, RBC, and Morgan Stanley. ORX News has covered these fines separately in digests [12504](#), [12505](#), [12507](#), and [12506](#) respectively as they occurred in a different jurisdiction. The claimants reportedly planned to pursue

further liability against Deutsche Bank, which had escaped a CMA fine in the UK as it alerted the regulator to its participation in the unlawful behaviour.

Author: Joey Weinbren **Published Date:** 19 March 2025 **Last Update:** 21 March 2025

Published In Media	Occurrence - From	Occurrence - To	Discovery Date	Recognition / Settlement
18 March 2025	01 January 2009	31 December 2013	01 June 2023	17 March 2025

ORX Reference Taxonomy RT0802 - Anti-trust/anti-competition		
Boundary Risk Other Risk	Industry Event	Scenario SC0005 - Improper Business Practice
Product PD0301 - Fixed Income	Process PC1501 - Policies, Governance & Monitoring	Event Closed No
ORX Member No	Role of Firm LS0307 - Position Taking (Principal)	Jurisdiction / Choice of Law LS0101 - United States of America
Cause 1 CS0204 - Management / Control of Staff	Cause 2 CS0304 - Organisational Controls	Cause 3 CS0403 - Inadequate Policy / Procedure
Counterparty LS0202 - Class Action	Environmental Volatility LS0406 - Not Identifiable	Provision No

Source(s)

<https://www.law360.com/classaction/articles/2312282/citi-hsbc-ink-12m-deal-to-end-uk-bond-price-fixing-suit>
<https://www.law360.com/articles/2312282/attachments/0>
<https://www.law360.com/articles/1690137>
<https://www.law360.com/articles/1690137/attachments/0>
<https://www.gov.uk/government/news/cma-reaches-settlement-with-banks-in-competition-case>

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