

The complaint

Mr S complains HSBC UK Bank Plc ("HSBC") gave him incorrect information about a foreign currency transfer.

What happened

Mr S called HSBC to enquire about exchange rates as he wanted to transfer a large sum of USD from his Forex account to another account held in Pound Sterling. Everyone agrees Mr S was given the correct information for both conversion rate from USD to GBP and the final total amount he would be paid. But he was also incorrectly told the equivalent conversion rate for GBP to USD.

Mr S told us he wouldn't have gone ahead if he'd known the correct equivalent figure for the conversion of GBP to USD. He wants HSBC to either reverse the transaction and repay the original amount of USD to his Forex account or to repay him an additional sum of £5,400 to compensate for the amount he expected to get had the incorrect equivalent rate from GBP to USD he'd been given been applied.

HSBC said Mr S accepted the rate on the call and the funds were transferred. Although they understood he'd been given an incorrect equivalent rate he had been advised of the amount to be transferred on the call. They apologised for the inconvenience and credited his account with £100 compensation.

Our investigator didn't uphold the complaint. She thought, although HSBC made a partial mistake when giving the equivalent rate from GBP to USD, the amount Mr S received was the amount he was quoted. So, she thought, the outcome of the transfer was the same as it would've been had the incorrect equivalent not been given. So, she didn't uphold Mr S's complaint. And her view didn't change after listening to the call recording.

Mr S asked for an ombudsman's decision. He told us his decision to proceed was based solely on the incorrect information HSBC had provided. He sent a spreadsheet with the daily exchange rates for two months after the transfer. He said his loss was the difference in GBP he could have received by making the conversion on any day after the day in question in the following two months. He didn't think the loss was speculative. Rather Mr S thought he'd suffered a real loss resulting from the wrong information provided to him verbally and he had to make a decision there and then.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It's clear HSBC *made a mistake* here with the equivalent rate for this transaction. But they *didn't make a mistake* when they gave Mr S the final amount he'd receive. Mr S was told the correct amount he'd receive and agreed to proceed knowing that.

In the call recording Mr S is told the rate changes every 40 seconds. When he's given the erroneous equivalent rate for GBP to USD he tells the operative to go ahead. After that, but

before the transfer goes ahead, the operative advises Mr S of the final amount he'll receive into his sterling account. It's slightly less than the sum initially given when the rate is quoted in USD to GBP, a minute or so before. The operative asks 'OK' and Mr S replies 'OK'.

As much as I understand Mr S's frustrations with what he was told about the equivalent rate, he agreed to the transfer knowing the amount of Pound Sterling he'd receive. So, I can't agree there's been a loss to him here as the amount he's received is the amount he was told he would immediately before he agreed to go ahead. For these reasons I don't agree there's been any loss. So, I'm not going to ask HSBC to do anything further in terms of redress.

In respect of the incorrect conversion to the equivalent rate, I think the compensation HSBC have already paid is a fair amount to reflect the inconvenience and frustration to Mr S here. It's the sort of award I'd have suggested had it not been offered. So, I'm not going to ask HSBC to do anything more.

Given my findings, it wouldn't be fair or reasonable for me to uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 January 2024.

Annabel O'Sullivan
Ombudsman