



Press Release

Date

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COMCO opens investigation against banks

COMCO has received information regarding potential unlawful agreements among banks. Specifically, collusion between derivative traders might have influenced the reference rates LIBOR und TIBOR. Furthermore, market conditions regarding derivative products based on these reference rates might have been manipulated too. Hence, COMCO has opened an investigation against UBS and Credit Suisse, as well as against more than ten foreign financial institutes and other companies.

The Secretariat of the COMCO ("Secretariat") received an application for its leniency program, which indicated that derivative traders of various banks might have influenced the reference rates LIBOR and TIBOR fixed with respect to certain currencies. The London Interbank Offered Rate (LIBOR) and the Tokyo Interbank Offered Rate (TIBOR) are reference rates which are aimed at reflecting the interest rate level in the interbank deposit market. The British Bankers' Association (for LIBOR) and the Japanese Bankers' Association (for TIBOR) calculate these reference rates on a daily basis, for a range of currencies, based on submissions by respective panel banks. Derivative traders working for a number of financial institutions might have manipulated these submissions by coordinating their behaviour, thereby influencing these reference rates in their favour. Moreover, derivative traders might have colluded to manipulate the difference between the ask price and the bid price (spread) of derivatives based on these reference rates to the detriment of their clients.

Beside the two major Swiss banks UBS and Credit Suisse, ten foreign banks (Bank of Tokyo-Mitsubishi UFJ, Citigroup Inc., Deutsche Bank Aktiengesellschaft, HSBC Holdings plc, JP Morgan Chase & Co., Mizuho Financial Group Inc., Rabobank Groep N.V., Royal Bank of Scotland Group plc, Société Générale S.A., Sumitomo Mitsui Banking Corporation) and other financial intermediaries are subject to this investigation lead by the Secretariat. To assess the effects of the alleged practises on Swiss clients and companies is one of the aims of the investigation.

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