Traders’ forex chatroom banter exposed

From the Financial Times of Wed, 12 Nov 2014 08:28:51 GMT

“The players”, “the A team”, “the 3 musketeers” – forex traders loved to revel in macho pseudonyms. Such banter was common in chatrooms when they were sharing information about currency orders in their attempts to manipulate the forex fix and formed a large part of the Financial Conduct Authority’s investigation.

On Wednesday, the watchdog published chatroom messages showing how traders worked together to manipulate the benchmark, including “how can I make free money with no fcking heads up” [sic] and “cheers traders in the chatroom with net orders in the opposite direction to the desired movement at the fix sought to transact before the fix with traders outside the chatroom. The FCA said this practice was commonly referred to as “leaving you with the ammo”, building the volume of orders held by the traders in the chatroom in the desired direction to the desired movement at the fix rate, which is yet to be determined. Firms will profit if the average rate at which they buy in the market to fulfil these orders is lower than the fixed rate at which they later sell to their clients. Citi, the FCA detailed one example of how traders at Citi were able to manipulate the 1.15pm daily fix of exchange rates by the European Central Bank.

On the day in question, Citi had net buy orders of €200m and would benefit if the ECB fix rate upwards. Traders were able to “build” this order to €342m by using chat rooms to co-ordinate with traders at other firms who transferred their buy orders to Citi.

Furthermore, traders in the chatroom with net orders in the opposite direction to the desired movement at the fix sought to transact before the fix with traders outside the chatroom. The FCA said this practice was commonly referred to as “leaving you with the ammo”, building the volume of orders held by the traders in the chatroom in the desired direction and increasing their potential influence on the fix.

(continues on page 3)

Dutch and Starbucks in tax deal storm

From the Financial Times of Thu, 13 Nov 2014 18:06:54 GMT

The Netherlands and Starbucks will be pulled into the political storm over sweetheart tax deals on Friday as the European Commission confronts Amsterdam for allegedly subsidising the coffee group’s tax bill.

Initial conclusions from the first stage of Brussels’ state aid probe, published on Friday, will detail concerns over the Dutch illegally

Full details of the Dutch probe, which eventually could require it to clawback any illicit state support, will make uncomfortable reading for Starbucks given it has already suffered consumer protests over its tax practices. Starbucks and the Netherlands are confident the arrangements are legal and proper. It also emerges at a delicate time for Jean-Claude Juncker, the commission president, who is under political pressure over revelations of widespread tax avoidance in Luxembourg during his time as premier. Mr Juncker batted off criticism this week, arguing that he was not the
Banks Had Unfair Commodity-Market Advantages

Banksters had unwise dealings with clients over metals

WASHINGTON—A U.S. Senate report on commodity-market ac-
tivity at Wall Street banks accuses the firms of being less than
ethical and competitive with other market participants. The
report, released on Thursday, is a scathing attack on Wall St.

Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-
gle line of business. The Fed hasn’t identified how it has implemented any
lines of business. The Fed hasn’t identified how it has implemented any
rules given the size and scope of big Wall Street banks.

The report recommends a series of actions that could shrink the
broader financial system at risk by entering volatile businesses such
as “flash trading” and “high-frequency trading.”

A wave of activity at a subsidiary of Goldman Sachs in December 2011
was found to have disrupted the London aluminum market.

The Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-

Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-

Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-

Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-

Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-

Fed rules.

The report also cites a previously undisclosed Fed staff review that in
September 2010, asking for delivery of 100,000 tons of aluminum in a sin-

Fed rules.
Introducing Daily Paywall

A functional democracy needs an informed public. However, today access to knowledge is controlled by for-profit industry, while information is manipulated in its distribution and organization to maintain undemocratic orders.

Daily Paywall proposes a provocative and conceptual economic model for the media and publishing industry, in which the for-profit scheme of information selling and consumption is reversed for democratic and educational purposes, by paying readers to access and understand the news, while directly rewarding critical content creators through bypassing the interfering middleman’s agenda.

In creating Daily Paywall, tens of thousands of articles covering developments in finance, economy and business have been stolen from the mainstream corporate media in order to redistribute them for free, ultimately extracting their value for reinvesting into motivating socio-critical analysis. The articles are made available both online and in print to those who would not typically have access to or be exposed to such material, due to their inability to afford a subscription, or because of how the media ranks the articles or simply as a result of the exclusionary language employed by these news sources. At its core, Daily Paywall proposes that access to this content should be more horizontal and democratic in scope, encouraging and incentivizing consumption and participation by those who are struggling financially, or who occupy a lower class status, as economic volatility and increasing wealth disparity ultimately impacts them the most.

Beyond promoting open access to knowledge, the project also makes a direct provocation regarding the one-directional flow of capital in our current information economy. This is achieved by incentivizing readers to read, absorb, and respond to articles that expose flaws in corporatized, institutionalized inequality and corruption thereby incentivizing analytical and critical thinking surrounding the story. Moreover, alongside readers who correctly respond to a brief quiz about the articles exposing institutionalized inequality and corruption thereby incentivizing analytical and critical thinking surrounding the story, the participants are left to confront and discuss the validity, legality and finality of the artwork.

The Media Performance

The critical aspects of this experiment are recalled as a conflict over information and social control. This conflict is resonated as a performance through the staging of a striking interaction amongst the actors that the artist involved in the artwork; the corporate targets, the readers, the journalists and the art world. During this temporary setting of the performance, the participants are left to confront and discuss the validity, legality and finality of the artwork.

With the proper timing and preparation, the performance eventually reaches its apex with the social conflict becoming irreversible, ending with the dramatic suppression of the artwork itself in turn reveals the real power structures in place. Here, the artistic provocation of Daily Paywall is most explicit and the media performance truly takes place, as an artistic model for an alternative approach to the distribution of information, education, income and labor. Even though business model logic guides the structure of the project, sustainability and profit are not the goal and have been sacrificed or challenged in favor of ethical, philosophical and social revelations.

Today information flow is the means of exchange for valuing any economic entity. Knowledge, according to the current information exchange and information currency determine the current economic hegemony and social order. Thus, the creative refiguration of the information flow is the ultimate political and artistic practice which can transform and address modern society at large.

Daily Paywall explained

On DailyPaywall.com, tens of thousands of articles have been gleaned daily from mainstream online news sources such as the Wall Street Journal, Financial Times, and The Economist.

After signing up for paid accounts with the targeted news sources, the artist created a script that automatically pulled entire articles from these sites and reposted them onto DailyPaywall.com. With a sophisticated exploit into the authentication system, these media outlets have been forced to release all their published content, with an average of 200 items a day, fetching in total over 50,000 articles during the whole year of 2014.

The artist then sifted through hundreds of articles, collecting the most significant to unveil contradictions surrounding contemporary global economy. He then edited and published a few issues of his own financial newspaper, Daily Paywall, which is publicly available online and in printed form for distribution as a free paper in newspapers disseminated throughout NYC.

On DailyPaywall.com, the artist designed an interface to allow people to read and search through the huge database of articles for free. Online users can also participate in the project through sharing and rating the articles as well as suggesting questions and answers for selected news.

Ultimately, the artist has formulated a system for readers to submit their answers to quizzes on a few featured articles, and has planned to implement a payment process which will be able to issue funds to readers who’ve answered these questions correctly and also to journalists that readers have opted to pay.

The social business plan

• Readers can earn $1 for responding correctly to the quiz about the article.
• Journalists can earn from those who’ve decided to donate to the writer of the article.
• Funders can offer an amount to crowdfund the system.

Everyone will be able to donate an amount of money as part of the crowdfunding campaign. This generated income will be used to reward readers who correctly respond to a brief quiz about the articles exposing institutionalized inequality and corruption thereby incentivizing analytical and critical thinking surrounding the story. Moreover, alongside these republished, pirated articles, advertising will be sold to create a revenue stream.

Readers of the Daily Paywall website will also be recruited both online and offline, through different types of communitities and environments. For instance, online the project will be promoted through social media channels specific to the teenage and underggradate demographics, which will direct them to the website of the project. Eventually, paid readers will also be recruited through local papers, jobs listings and online youth forums. Beyond the youth communities in NYC, ders and advertisers will be attracted by a wider community of artists and activists who are generally not interested in work for such low payment, but for whom the project’s concept will appeal or for those who want to support quality journalism. With the appropriate contacts and sensibility, the Daily Paywall may also recruit and pay readers from developing countries.
**FIFA and corruption:** Hear no evil

From the Daily Telegraph

The governing football body is struggling to change its culture

Art is judged by price, not aesthetics

From the Evening Times

The richest art market in the world has long been a place for speculators, but now it is being transformed into a market for serious art collectors

Cellphone Boom Spurs Antenna-Safety Worries

From the Financial Times

Radio-frequency engineer Murray Wood has taken readings at some 50,000 sites to gauge levels of radio-frequency radiation

The trader's floor: cagey chatroom

The Financial Times

Bankers chatroom in an attempt to manipulate the EUR/USD fix: 

**Fifa-World Cup**

**Daily Paywall**

For full access to over 50,000 articles.
Exxon, Shell carbon Emmissions Rise
tates more emissions than in the past.
"It's a disturbing trend," said Sister Patricia Daly, executive director of the Tri-State Coalition for Responsible Investment, a network of in-
vestors focused on social and environmental issues. The rise in emis-
sions reinforces the need for targets on reducing carbon, she said. The
coalition has filed proposals on behalf of Exxon shareholders asking the
company to set targets for curbing greenhouse-gas emissions. The latest
proposal, in June, received support from 22% of the shareholder vote.

Shell attributed its emissions increase to producing oil and gas that
requires more energy to access, as well as lower production in Nigeria
because of theft. Shell in its report projected that its direct emissions would
rise in coming years "as our business grows and production becomes
more energy intensive."

The company said it takes reducing greenhouse-gas emissions seri-
ously. It cited a Canadian project that will capture a million tons of car-
bon beginning next year, a large biofuels portfolio and investments in
fuels such as natural gas.

Other major Western oil companies have avoided big increases in car-
bon emissions. BP PLC's emissions from production decreased 0.6% be-
tween 2011 and 2013. The company's oil and gas output has fallen sharply
since 2010 after selling operations in the wake of Gulf of Mexico oil spill,
and its emissions have fallen by a similar degree, BP didn't respond to a
request for comment.

Chevron Corp., the second-biggest U.S. oil company, behind Exxon,
generated 4% less emissions per barrel last year than in 2011. It is alone
among its peers in setting a goal for carbon emissions this year: 1.75%
higher than last year. The company cited new facilities that are expected
to go online and the resumption of operations at facilities that had been
idled.

"Chevron recognizes and shares the concerns of governments and the
public about climate change," a spokesman said.

Exxon's global operations generated the equivalent of 148 million
metric tons of carbon last year. The figure combines the carbon Exxon
emits directly from its own sources, as well as indirectly by consuming
greenhouse gas by others. The total rose slightly from 2012 because
of emissions from chemical manufacturing and a methodology change,
even though emissions from refining fell.

Nearly half of Exxon's emissions comes from tapping oil and gas, which
accounts for 90% of the company's earnings. Though produc-
tion fell 6.1% between 2011 and 2013, total emissions from pumping
increased 1.7%

Exxon noted the trend in higher emissions from oil and gas produc-
tion in a report earlier this year and said the performance was unde-
sirable. The company in recent years has moved to address the risks of
climate change, cutting back on burning natural gas that is unprofitable
to capture and eliminating steps in processing heavy crude in Canada.

Exxon also has published two reports on climate earlier this year in
response to shareholder concerns. In the reports, Exxon recognized that
climate change poses risks to its business but said its projects were nec-
0sary to meet growing demand.

As Exxon searches to replenish the oil and gas it pumps, much of its
new production takes a lot of energy to tap. Heavy oil, which must be
processed extensively, makes up 17% of Exxon's proven reserves. That is
from 15% two years ago.

Shell also has added significant reserves in Canada's oilsands. The
company said it invested in equipment to conserve heat generated from
its Cormack River oilsands project, which helped keep emissions in
check. The company decided against a plan to capture and store carbon
underground. The scale of investment wouldn't have been economic,
Shell said.

Write to Daniel Gilbert at daniel.gilbert@wsj.com

Answer the following question correctly and earn $1:

In which country is producing oil is particularly difficult and rais-

e carbone emissions?

Your Email address:

Send this coupon with your answer and your email

address to the following address: Paolo Cirio Ltd., Suite

36, 88-90 Hatton Garden, City of London, EC1 N8PG,

United Kingdom.