

Millionaire Currency Trader Acquitted in \$3.5 Billion Case

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A former British currency trader has been fully cleared by a United States court after spending years fighting a conviction tied to a multibillion-dollar foreign exchange transaction. Mark Johnson, a former executive at Hong Kong and Shanghai Banking Corporation (HSBC), was at the centre of a controversial prosecution that has now been overturned.

Mark Johnson, 59, from Burley in Hampshire, was convicted in 2017 of wire fraud in the United States related to a 2011 \$3.5 billion transaction for oil and gas firm Cairn Energy. The United States government alleged that Johnson manipulated the British pound's exchange rate by purchasing sterling in advance, known as "pre-hedging," before executing the deal on behalf of HSBC. This activity was said to have generated millions in profit for the bank, but at the client's expense.

However, a U.S. appeals court has now ruled that the law used to convict Johnson was misapplied. The judgment recognises that "pre-hedging," while controversial to some, is a long-accepted practice in financial markets used to reduce risk during large currency trades. The ACI Financial Markets Association, an international industry body, testified during the trial that such methods are standard and widely practiced.

Johnson's legal team, led by attorney Alexandra Shapiro, welcomed the decision. "We are delighted that justice has finally been achieved for Mark Johnson after a nine-year ordeal," Shapiro stated. "This is a case that never should have been brought. Mr Johnson carried out the Cairn transaction consistent with industry practice and in violation of no law or rule."

The initial prosecution came during a period of political pressure in Washington, D.C., where lawmakers were demanding accountability for banking executives. Johnson's arrest in July 2016 at John F. Kennedy International Airport, while travelling with his son, was widely publicised. He was the first financier to face a U.S. trial over foreign exchange manipulation, a move many in the financial community viewed as more political than legal.

Johnson, a father of five and an avid rugby player, maintained his innocence throughout the case. He had left HSBC shortly before his conviction and had spent time in both American and British prisons before the ruling was overturned. With his name cleared, Johnson is now seeking to rebuild his life after what his lawyers describe as a politically motivated prosecution.

This acquittal brings renewed attention to the increasing criminalisation of standard business practices, especially in sectors as complex and highly regulated as global finance. For many in the industry, Johnson's case is a stark reminder of the dangers of politicised legal action and the need for clear, consistent regulatory standards.