

The complaint

Mr S complains that Swissquote Ltd liquidated three of his contracts for difference positions based on an incorrect margin call, causing him significant losses.

What happened

Mr S held a contract for difference (CFD) trading account with Swissquote (SQ). He held USD/TRY positions ending *767 and *318 which he says were wrongfully liquidated on 15 and 17 March 2024. He says the margin calls were incorrect and that SQ had used erroneous and off market quotes to trigger the margin call. He says all the other main markets contradict the pricing used to liquidate his positions and that the margin call should never have been triggered. He says he lost around £67,000.

In their final response letter, SQ said the free margin on his account had not been maintained at the minimum requirements of 30% so the market orders were correctly triggered. They said Mr S was responsible for maintaining his margins but as a gesture of goodwill offered to pay him \$9500. This offer was later accepted and credited into Mr S's account in May 2024.

SQ didn't think Mr S should be able to complain as he had already accepted a payment in full and final settlement of the complaint. They also didn't think Mr S could complain because he was a professional client.

An investigator here considered Mr S's complaint and said he was an eligible complainant. She said being an elective professional client, he was still eligible to be treated as a consumer as defined by the rules, so he was able to bring a complaint to this service.

In relation to the full and final settlement, she said SQ had made the offer of \$9500 as a gesture of goodwill and in the same communication gave referral rights to our service. In accepting the offer made, Mr S responded, "*Pls credit the \$9500 into the account. I will pursue the matter with the ombudsman*". The investigator said it was clear Mr S didn't understand the terms of the offer would bring about the end of the complaint and stated his intention to pursue the complaint. SQ didn't do anything to either counter this or clarify this. The investigator didn't see the payment as full and final settlement of the complaint and said it could still be investigated.

The investigator later considered the merits of the complaint and didn't think it should be upheld. She said each provider sets its own pricing and there was no evidence that SQ's pricing was unfair. She said the margin requirements were not met so the margin call was correctly triggered, and the positions were liquidated.

As Mr S didn't agree with the investigator, this came to me for a decision.

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.

Having done so, I agree with the investigator's conclusion for broadly the same reasons. I do not uphold this complaint.

I've started my investigation looking at the pricing which Mr S says was incorrect. He says his trades were affected by the incorrect price. There is no exact science to establish what the true market price should be for currency pairs and SQ's pricing can come from the SQ Bank, and any underlying liquidity provider. I have looked at the pricing data Mr S provided and considered the highest and lowest prices traded in that period. I can see there was a difference in the prices available on other platforms, but that is not uncommon for this type of trading. We do expect to see some variation in prices as they are set individually with the providers own mark up being applied. The size of these mark ups does vary from provider to provider but their pricing is visible when trading on their platform.

This is a fast-moving market, and market fluctuations affecting the pricing is not unusual. The data provided shows evidence of fluctuations and a difference in price, but as I've explained this is expected. It's clear Mr S believes the prices need to reflect the underlying market. For me to say SQ had done something wrong and uphold the complaint, I would need to see evidence that the prices were so far apart from the underlying market that it was unreasonable for SQ to use this and I can't say that it was or that there was evidence of the price being unfair.

I appreciate this situation must have been frustrating for Mr S, as he was expecting to make thousands in profits from his positions. However, it is clear, the reason the positions were liquidated was because the minimum account margin requirement of 30% was not met. The margin requirements are noted in Rule 22.5.13 of the Financial Conduct Authority's Code of Business Sourcebook, and SQ's terms and conditions. As soon as the account margin fell below the required amount, SQ closed any positions to manage this.

This could have been avoided if the account margin had been maintained at a higher level. I understand that the level of margin he needed to maintain increased, but this is in practice the reality of CFD trading and being exposed to movement in the market with little notice. As stated in his professional client application, he is an experienced trader in CFD's, so he would have been aware of the risks in this type of trading. Given that Mr S signed the terms of the account, I think it is reasonable to expect that he was aware of his contractual obligations to maintain the account margins as well as SQ's right to force closure of any relevant open positions to maintain the margin requirements.

I note Mr S's concerns about a potential conflict of interest where SQ stand to gain from Mr S's losses, and I accept that this is the case. However, this is the arrangement which he signed up to, the Risk Disclosure Statement and the Order Execution Policy Disclosure document clearly set this out.

I don't perceive SQ's decision to make a price adjustment on his position ending *318 to be an admission of guilt, this is a commercial business decision they've taken, which they're entitled to do. I know Mr S will be disappointed with my decision, but I'm not persuaded SQ's pricing was unfair or that they have been unreasonable in applying the account margin requirements which ultimately led to the liquidation of his positions, so I won't be asking them to do anything.

My final decision

For the reasons given above, I do not uphold this complaint against Swissquote Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 November 2025.

Naima Abdul-Rasool
Ombudsman