

**Question for written answer E-001689/2023
to the Commission**
Rule 138
Moritz Körner (Renew)

Subject: Stock manipulation through social media

The US Securities and Exchange Commission (SEC) has charged eight individuals in relation to a USD 100 million securities fraud scheme in which they used the social media platforms Twitter and Discord to manipulate exchange-traded stocks.

According to the SEC, from at least January 2020, seven of the defendants promoted themselves as successful traders and cultivated hundreds of thousands of followers on Twitter and in stock-trading chat rooms on Discord. These seven defendants allegedly purchased certain stocks and then encouraged their substantial social media following to buy the stocks by posting price targets or indicating that they were buying, holding or adding to their stock positions. However, as the complaint alleges, when share prices and/or trading volumes in the promoted securities rose, the individuals regularly sold their shares without ever having disclosed their plans to dump the securities while they were promoting them.

1. Have the Commission and the relevant EU agencies looked into similar cases in the EU?
2. If so, what did they find? If not, why not?

Submitted:25.5.2023