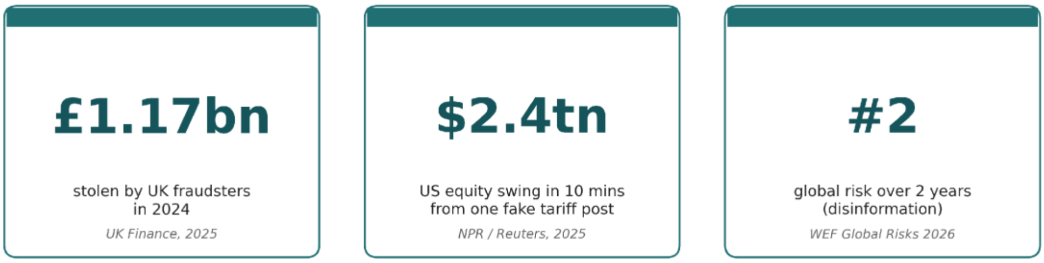
What is Financial Disinformation?
A London perspective

By James Kennon Rice, CCOD Policy Fellow, June 2026

Executive summary

The 2026 World Economic Forum Global Risks Report ranks **misinformation and disinformation as the second-most severe global risk** over the next two years, behind only geoeconomic confrontation.[1] For London — Europe's largest financial centre and the home of the FCA, the Bank of England and the bulk of UK retail investing — this is not an abstract risk. In the first half of 2025 alone, criminals stole £629.3 million from UK customers, with investment-scam losses up 55% year-on-year and two-thirds of authorised push payment (APP) fraud beginning on online platforms.[2]



Headline numbers, May 2026. Sources: UK Finance Annual Fraud Report 2025; NPR / Reuters reporting on the 7 April 2025 false-tariff post; WEF Global Risks Report 2026.

This brief is an introductory explainer of **financial disinformation**: what it is, how it impacts London's economy, and what practical responses exist. Two questions are answered: (i) what makes financial disinformation a unique and severe risk, and (ii) how are the employees, executives, policymakers and retail investors of London actually exposed?

1 What is financial disinformation?

The Council for Countering Online Disinformation (CCOD) defines **disinformation** as false information that is deliberately spread with malicious intent — distinguishing it from *misinformation*, which is shared without intent to deceive. **Financial disinformation** is the sub-class with an economic motive: the deliberate spreading of false content to move an asset price, trigger withdrawals, defraud a counterparty, or otherwise extract financial value.[3]

Three features make it a distinct policy problem rather than a sub-set of fraud. **First, speed.** A widely cited MIT study found that false news spreads roughly six times faster than the truth on social platforms, and is

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[1] World Economic Forum (2026) *Global Risks Report 2026*, Insight Report. Geneva: WEF.

[2] UK Finance (2025) *Half-Year Fraud Report 2025*. London: UK Finance.

[3] Liu, B. and Moss, A. (2025) 'The role of accounting information in an era of fake news', *Journal of Accounting and Economics*, 79(2): 101764.

about 70% more likely to be retweeted.[4] **Second, scale.** Generative AI has collapsed the cost of producing convincing synthetic audio, video and text, so attacks that once required a specialist team can now be executed at the marginal cost of a cloud subscription. **Third, financial-system sensitivity.** Confidence in payment systems, deposit insurance and listed-company fundamentals are belief-based goods; once those beliefs are dislodged, real flows of money follow within minutes.

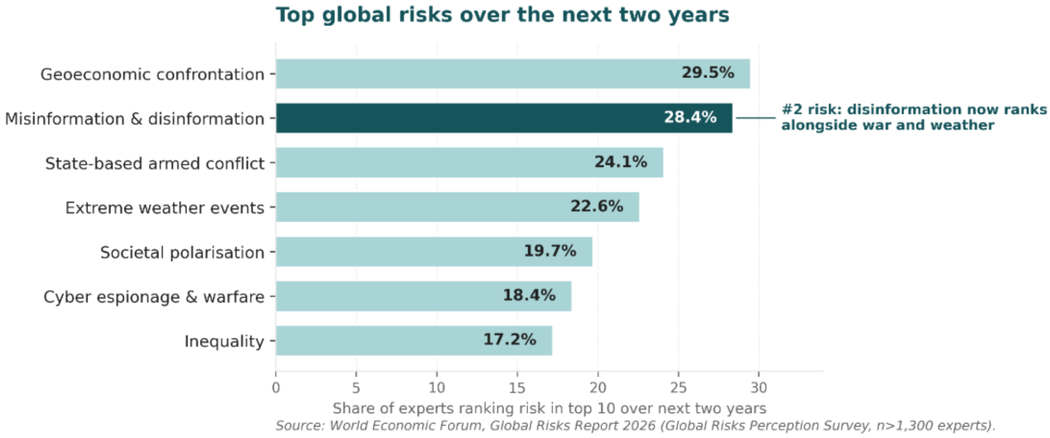

Figure 1. Top global risks over the next two years. Disinformation has held a top-three slot in every WEF Global Risks Report since 2024.

A March 2026 review by the Greater London Authority reaches a similar conclusion for the capital as a whole: the UK government now treats mis- and disinformation as a long-term (“chronic”) risk to the economy and national security, and **London is especially exposed** given its global visibility and economic prominence.[5]

The **UK is particularly exposed to financial disinformation risks**. London is host to the world’s deepest pool of foreign-exchange trading, a heavily mobile-banking-enabled retail base, and a regulator (the FCA) that runs one of the most public finfluencer enforcement programmes globally — the FCA opened criminal proceedings against three individuals and issued 120 social-media takedown requests in its April 2026 “week of action” alone, identifying 1,267 illegal financial adverts reaching more than 2.3 million UK accounts.[6]

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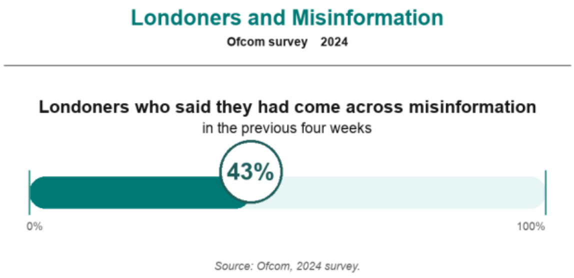
[4] Vosoughi, S., Roy, D. and Aral, S. (2018) ‘The spread of true and false news online’, *Science*, 359(6380), 1146–1151.

[5] GLA City Intelligence (2026) *Misinformation and Disinformation in London: Risks and Responses*. London: Greater London Authority.

[6] Financial Conduct Authority (2026) *FCA Spearheads Global Action to Stop Illegal Finfluencers*, Press Release, 24 April. London: FCA.

2 How will it affect London?



Financial disinformation reaches London through at least four distinct channels — **targeting investors, policymakers, employees, and consumers**. The backdrop is a noisy information environment: in a 2024 Ofcom survey, 43% of Londoners said they had come across misinformation in the previous four weeks.[7]

2.1 Investors: price-moving fake news

Sophisticated retail and institutional investors are increasingly trading against social-media signals. The most striking recent case is the 7 April 2025 "Walter Bloomberg" post falsely reporting that President Trump was considering a 90-day pause on tariffs. The post was amplified by mainstream wire services within minutes; the S&P 500 swung by roughly **$2.4 trillion in ten minutes** before the headline was retracted.[8] Academic work on EU and US stock returns has confirmed the asymmetry: negative fake news reliably drags short-run returns, while positive fake news has no symmetric effect — making short-and-distort campaigns particularly profitable for the originator.[9]

> ***"In ten minutes, a single false post on X moved the value of US listed equities by roughly $2.4 trillion — larger than the entire annual GDP of Italy."***

2.2 Policymakers: the social-media bank run

For policymakers, the systemic concern is a disinformation-driven run on the banking system. The March 2023 collapse of Silicon Valley Bank — in which customers attempted to withdraw $42 billion in a single day, partly coordinated on X, Slack and WhatsApp — is now the canonical case study. A 2025 simulation by Say No To Disinfo and Fenimore Harper Communications applied the same dynamics to UK retail banking: among 500 UK adults shown AI-generated false content about deposit safety, **60.8% said they would likely move their money**, and the authors estimated that for every £10 spent on targeted ads, roughly £1 million in deposits could be shifted.[10] The Bank of England's Financial Policy Committee has, in

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[7] Ofcom (2024) *Mis and Disinformation Report*. London: Office of Communications. Figure reported in GLA City Intelligence (2026).

[8] NPR (2025) 'How a false X post about pausing tariffs led to multitrillion-dollar market swings'. 7 April. Washington, DC: NPR.

[9] Arcuri, M. C., Gandolfi, G. and Russo, I. (2023) 'Does fake news impact stock returns? Evidence from US and EU stock markets', *Journal of Economics and Business*, 125–126: 106130.

[10] Fenimore Harper Communications and Say No To Disinfo (2025) *Can AI Cause a Bank Run? A UK Field Experiment*. London: Fenimore Harper.

its April 2026 record, asked the Bank and the FCA to make AI-amplified information shocks an explicit part of its forward-looking financial-stability agenda.[11]

2.3 Employees: deepfake-enabled CEO fraud

The 2024 Arup case — in which a Hong Kong-based finance employee of the British engineering group authorised fifteen wire transfers totalling $25.6 million after a video call in which every other participant, including the apparent CFO, was an AI deepfake — is no longer an outlier. Deloitte estimates that AI-enabled fraud losses will rise from roughly $12 billion in 2023 to $40 billion by 2027.[12] For City finance functions, the operational implication is that voice-authorisation and single-channel video sign-off on payments are no longer fit for purpose.

2.4 Consumers: ‘finfluencers’ and pump-and-dump

Roughly half of UK investors aged 25–34 now use social media as part of their investment research. That makes them the primary audience for two overlapping disinformation patterns: unauthorised *finfluencer* promotion of regulated products, and coordinated pump-and-dump campaigns in low-liquidity crypto assets, where false “inside” tips inflate prices that the originators then sell into.[13] UK Finance reports that **66% of push payment (APP) fraud cases now begin on online platforms**, with investment-scam losses up 55% year-on-year in H1 2025.

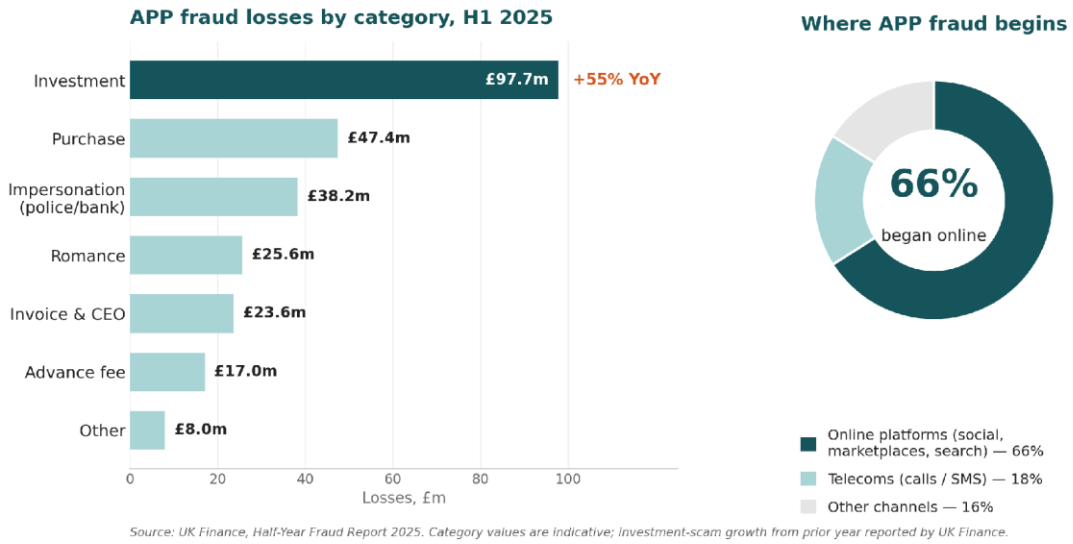


Figure 2. The UK consumer-facing side of financial disinformation: APP fraud value by category, and the share of cases originating on online platforms (H1 2025).

Beyond these four channels, **false stories about London itself** — for example, exaggerated claims that the city is unsafe or in decline — **can dent the confidence of the international investors and visitors** the capital depends on. London & Partners, the city’s promotional agency, reports a rise in safety-related enquiries from overseas audiences during such episodes.[14] City Hall is now treating online

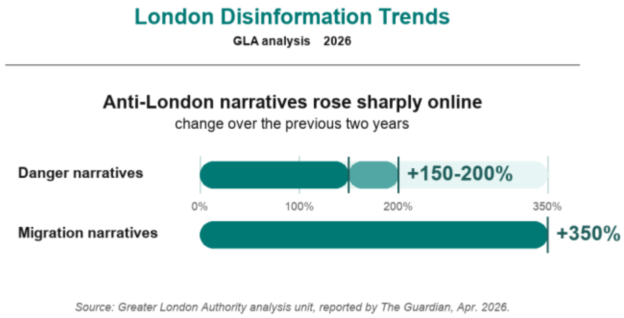
[11] Bank of England (2026) *Financial Policy Committee Record — April 2026*. London: Bank of England.

[12] Hogan Lovells (2024) *Deepfakes and Financial Fraud: What Next for the UK Financial Sector?* London: Hogan Lovells LLP.

[13] Financial Conduct Authority (2025) *Pump and Dump Schemes: Consumer Warning*. London: FCA.

[14] Laura Citron OBE, Chief Executive of London & Partners, quoted in GLA City Intelligence (2026).

disinformation as a civic risk: GLA research in April 2026 found that online narratives describing London as particularly dangerous had risen by 150-200% over two years, while content about the supposed impact of migration on the city had risen 350%. Sadiq Khan used the findings to **call for a new central body to counter disinformation** and tougher enforcement against platforms.[15]



3 What can be done?

The CCOD's view is that financial disinformation cannot be eliminated, but its blast radius can be deliberately reduced. This echoes a wider consensus that disinformation cannot be "solved", only managed through a combination of overlapping responses.[16] **Three layers of response** are most defensible **for London-based institutions**:

- **Operational hardening (short term).** Dual-authorisation on significant payments; verification of executive video and voice instructions through a second, out-of-band channel; pre-rehearsed crisis-communications playbooks for social-media-driven runs.
- **Regulatory levers (medium term).** Full implementation of the Online Safety Act fraudulent-advertising code of practice; continued FCA finfluencer enforcement; and integration of disinformation scenarios into the Bank of England's stress-testing and Ofcom's categorised-service duties.[17]
- **Media literacy and demand-side resilience (long term).** Workforce training tailored to financial-services threat patterns (deepfake CFO calls, false earnings-guidance videos, fake regulator correspondence), and curriculum-level media-literacy education — the single most cost-effective intervention identified by OECD work on information integrity.[18]

> ***"For every £10 spent on targeted AI-generated ads, roughly £1 million in UK retail deposits could be moved — the cheapest financial-stability attack on record."***

The implication is not that financial disinformation is uniquely dangerous — it is that, like cyber risk a decade ago, it has crossed the threshold from a communications nuisance into a first-order operational and financial-stability concern. For London, the cost of treating it as the former is now visibly higher than the cost of treating it as the latter.

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[15] Peter Walker (2026) "Sadiq Khan demands stronger action on social media 'outrage economy'" The Guardian. 9 April 2026.
[16] Trijsburg, I. et al. (2024) *Disinformation in the City: Response Playbook*.

[17] Ofcom (2026) *Plan of Work 2026–27*. London: Ofcom.

[18] OECD (2024) *Facts not Fakes: Tackling Disinformation, Strengthening Information Integrity*. Paris: OECD Publishing.

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