

# Phishing Activity Trends

## Report for the Month of March, 2007

### Summarization of March Report Findings

► The number of phishing reports received rose to 24,853 in March, an increase of over 1,000 from February but still more than 5,000 fewer than January's previous record high of 29,930. ► The United States is back to being the top geographic location for the hosting of crimeware designed for one of three criminal enterprises: as a phishing-based keylogger, an information-stealing Trojan trolling for banking credentials, or a Trojan redirector; China moved back into second place after surpassing the U.S. for the first time in February. ► The APWG saw a total of 166 brands hijacked in March. ► The number of unique websites hosting keyloggers decreased in March to 1,486, down from February's all time high of 3,121. ► Unique phishing websites increased slightly to 20,871 in March 2007. APWG researchers note that this continues the trend of decreasing numbers of URL's being employed since the last months of 2006 and early months of 2007. This is attributed to a tactical change by one of the phishing groups that use multiple URL's on the same domain name. ► APWG researchers continue to record elevated numbers of brands subject to phishing attacks, indicating the lower number of phishing URL's does not mean that the phishing problem is diminishing.

### Phishing Defined and Report Scope

Phishing is a form of online identity theft that employs both **social engineering** and **technical subterfuge** to steal consumers' personal identity data and financial account credentials. Social-engineering schemes use 'spoofed' e-mails to lead consumers to counterfeit websites designed to trick recipients into divulging financial data such as account usernames and passwords. Hijacking brand names of banks, e-retailers and credit card companies, phishers often convince recipients to respond. Technical subterfuge schemes plant **crimeware** onto PCs to steal credentials directly, often using key logging systems to intercept consumers online account user names and passwords, and to corrupt local and remote navigational infrastructures to misdirect consumers to counterfeit websites and to authentic websites through phisher-controlled proxies that can be used to monitor and intercept consumers' keystrokes.

The monthly *Phishing Activity Trends Report* analyzes phishing attacks reported to the Anti-Phishing Working Group (APWG) via its member companies, Global Research Partners, the organization's website at <http://www.antiphishing.org> and email submission to [reportphishing@antiphishing.org](mailto:reportphishing@antiphishing.org). The APWG phishing attack repository is the Internet's most comprehensive archive of email fraud and phishing activity. The APWG additionally measures the evolution, proliferation and propagation of **crimeware** drawing from the independent research of our member companies. In the second half of this report are tabulations of crimeware statistics and reportage on specific criminal software detected by our member researchers.

### Statistical Highlights for March 2007

• Number of unique phishing reports received in March:	<b>24853</b>
• Number of unique phishing sites received in March:	<b>20871</b>
• Number of brands hijacked by phishing campaigns in March:	<b>166</b>
• Number of brands comprising the top 80% of phishing campaigns in March:	<b>12</b>
• Country hosting the most phishing websites in March:	<b>United States</b>
• Contain some form of target name in URL:	<b>27.9 %</b>
• No hostname just IP address:	<b>17 %</b>
• Percentage of sites not using port 80:	<b>3 %</b>
• Average time online for site:	<b>4 days</b>
• Longest time online for site:	<b>31 days</b>

## Methodology

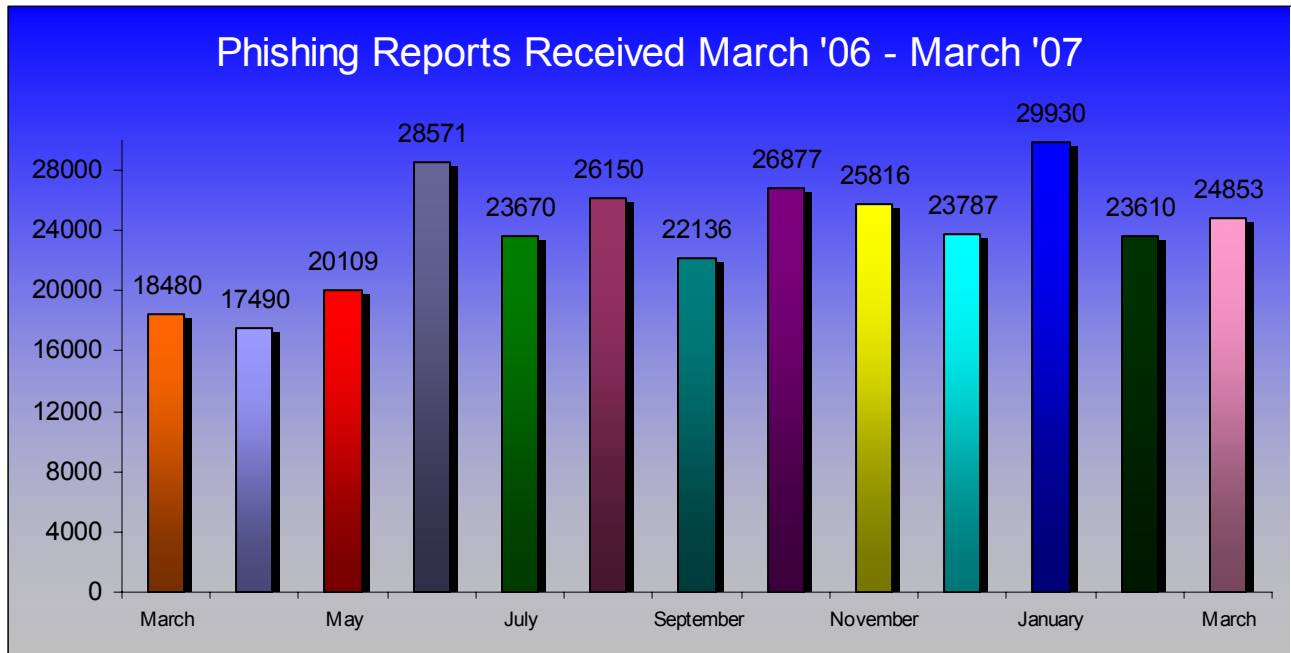
**APWG** is continuing to refine and develop our tracking and reporting methodology. We have recently re-instated the tracking and reporting of unique phishing reports (email campaigns) in addition to unique phishing sites. An email campaign is a unique email sent out to multiple users, directing them to a specific phishing web site, (multiple campaigns may point to the same web site). **APWG** counts unique phishing report emails as those in a given month with the same subject line in the email.

**APWG** also tracks the number of unique phishing websites. This is now determined by unique base URLs of the phishing sites.

**APWG** is also tracking crimeware instances (unique software applications as determined by MD5 hash of the crimeware sample) as well as unique sties that are distributing crimeware (typically via browser drive-by exploits).

## Phishing Email Reports and Phishing Site Trends for March 2007

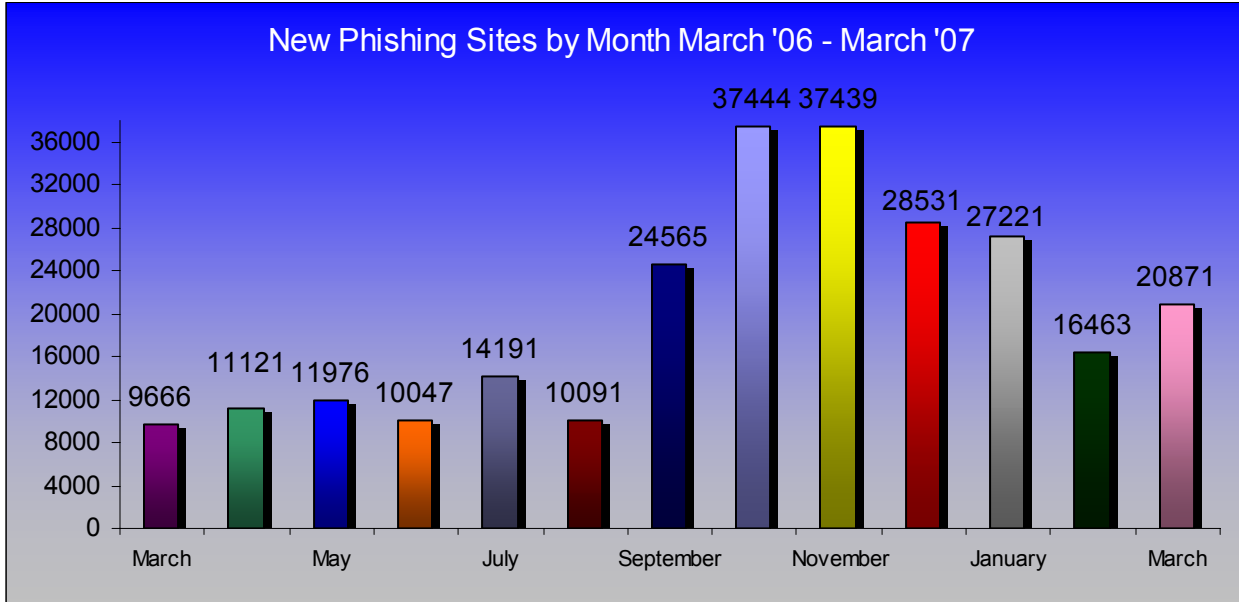
The total number of *unique* phishing reports submitted to **APWG** in March 2007 was **20,871**, a drop of nearly 3,000 from the previous month. This is a count of *unique* phishing email reports received by the APWG from the public, its members and its research partners.



The **Phishing Attack Trends Report** is published monthly by the Anti-Phishing Working Group, an industry association focused on eliminating the identity theft and fraud that result from the growing problem of phishing and email spoofing. For further information, please contact APWG Secretary General Peter Cassidy at 617.669.1123. Analysis for the **Phishing Attack Trends Report** has been donated by the following companies:

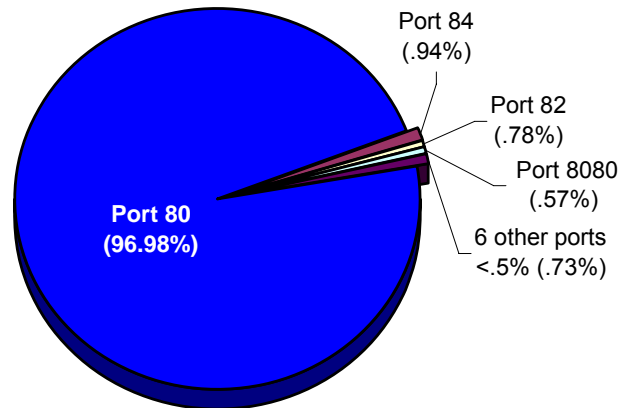


The number of *unique* phishing websites detected by **APWG** was 20,871 in March 2007. Laura Mather, Ph.D., Senior Scientist for MarkMonitor said, "MarkMonitor continues to see a lower number of URL's compared to December of 2006. We attribute this trend to a tactical change by one of the phishing groups that use multiple URL's on the same domain; that group is targeting fewer brands. Unfortunately, we continue to see a high number of brands used in phishing attacks, so the lower number of phishing URL's does not mean that the phishing problem is diminishing."



**Top Used Ports Hosting Phishing Data Collection Servers in March 2007**

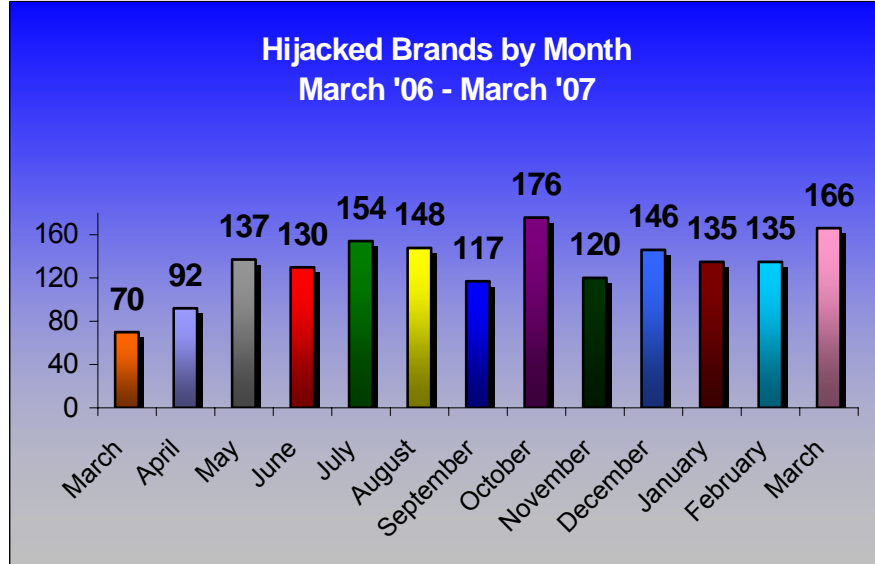
March saw a continuation of a trend of HTTP port 80 being the most popular port used at 96.98% of all phishing sites reported.



## Brands & Legitimate Entities Hijacked By Email Phishing Attacks in March 2007

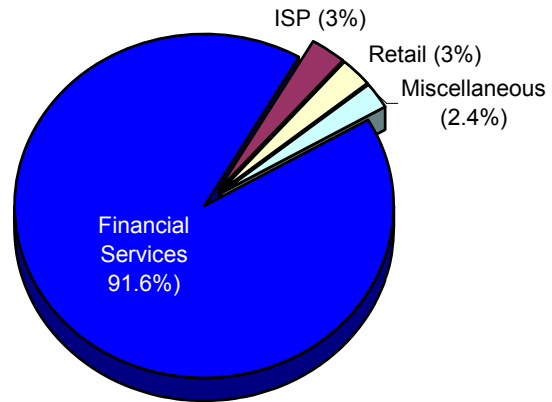
### Number of Reported Brands

March 2007 showed a rise in the number of brands hijacked to 166, breaking away from the two previous months in which the totals each came to 135.



## Most Targeted Industry Sectors in March 2007

Financial Services continue to be the most targeted industry sector at 91.6% of all attacks in the month of March.



## Web Phishing Attack Trends in March 2007

### Countries Hosting Phishing Sites

In March, Websense® Security Labs™ saw a continuation of the top three countries hosting phishing websites. The United States remains at the top of the list with 27.53%. The rest of the top 10 breakdown is as follows: Republic of Korea 18.19%, China 5.53%, Germany 4.68%, France 2.67%, Chile 2.51%, United Kingdom 2.27%, Russia 2.01%, Canada 1.86%, and Japan with 1.86%.



## PROJECT: Crimeware

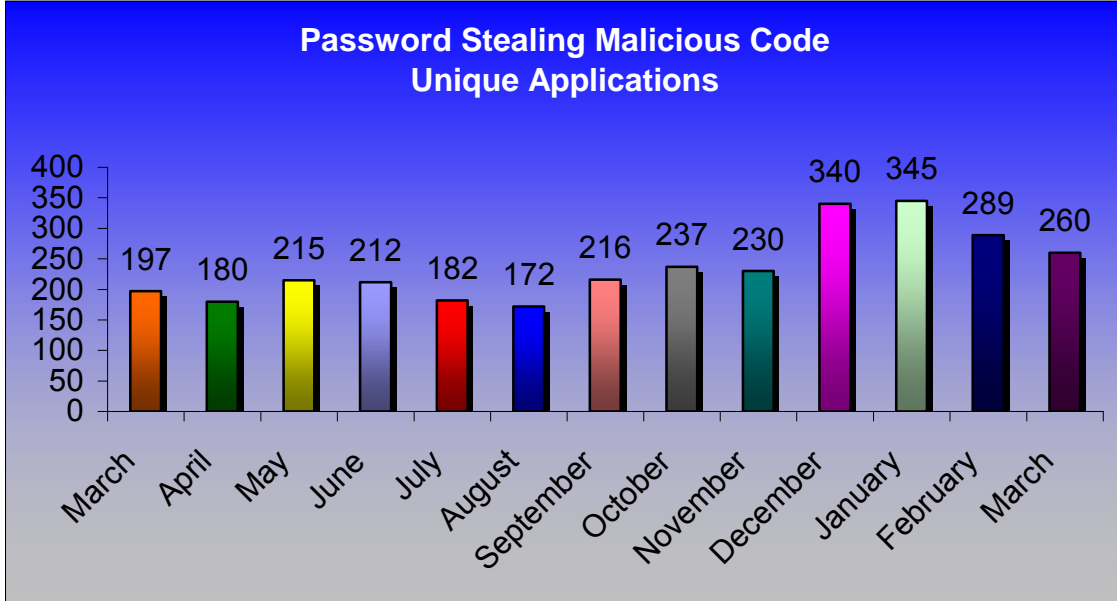
### Crimeware Taxonomy & Samples According to Classification in March 2007

**PROJECT: Crimeware** categorizes crimeware attacks as follows, though the taxonomy will grow as variations in attack code are spawned:

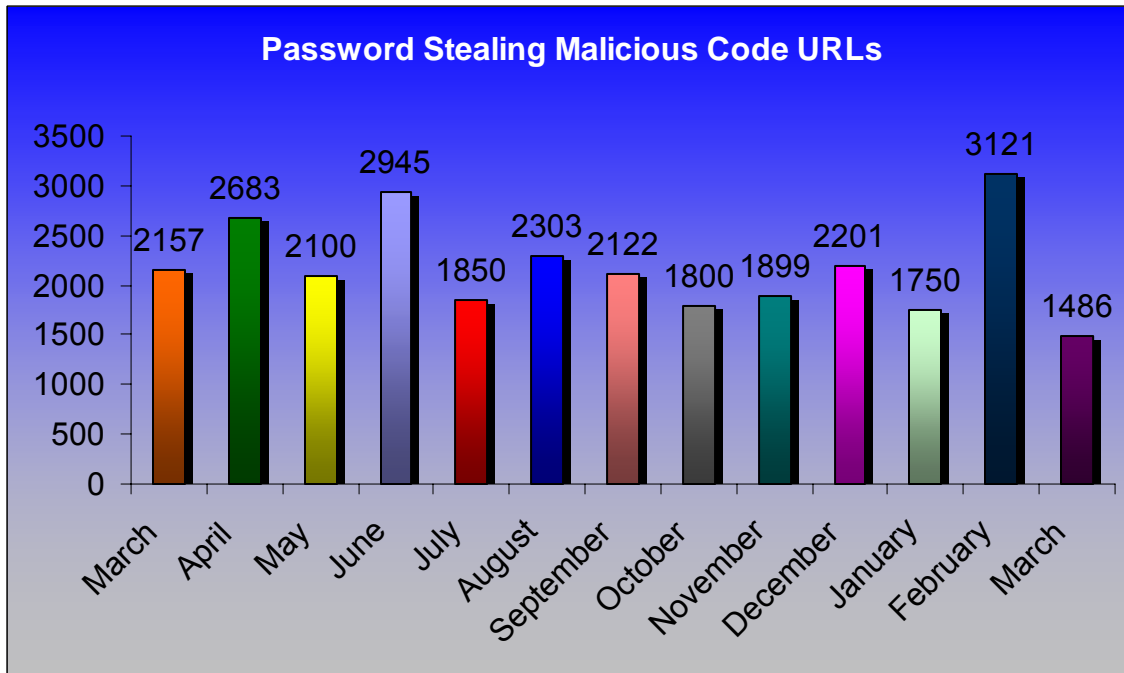
#### *Phishing-based Trojans - Keyloggers*

**Definition:** Crimeware code which is designed with the intent of collecting information on the end-user in order to steal those users' credentials. Unlike most generic keyloggers, phishing-based keyloggers have tracking components which attempt to monitor specific actions (and specific organizations, most importantly financial institutions and online retailers and ecommerce merchants) in order to target specific information, the most common are; access to financial based websites, ecommerce sites, and web-based mail sites.

**Phishing-based Trojans – Keyloggers, Unique Variants in March**



**Phishing-based Trojans – Keyloggers, Unique Websites Hosting Keyloggers in March**



## Phishing-based Trojans – Redirectors

**Definition:** Crimeware code which is designed with the intent of redirecting end-users network traffic to a location where it was not intended to go to. This includes crimeware that changes hosts files and other DNS specific information, crimeware browser-helper objects that redirect users to fraudulent sites, and crimeware that may install a network level driver or filter to redirect users to fraudulent locations. All of these must be installed with the intention of compromising information which could lead to identify theft or other credentials being taken with criminal intent.

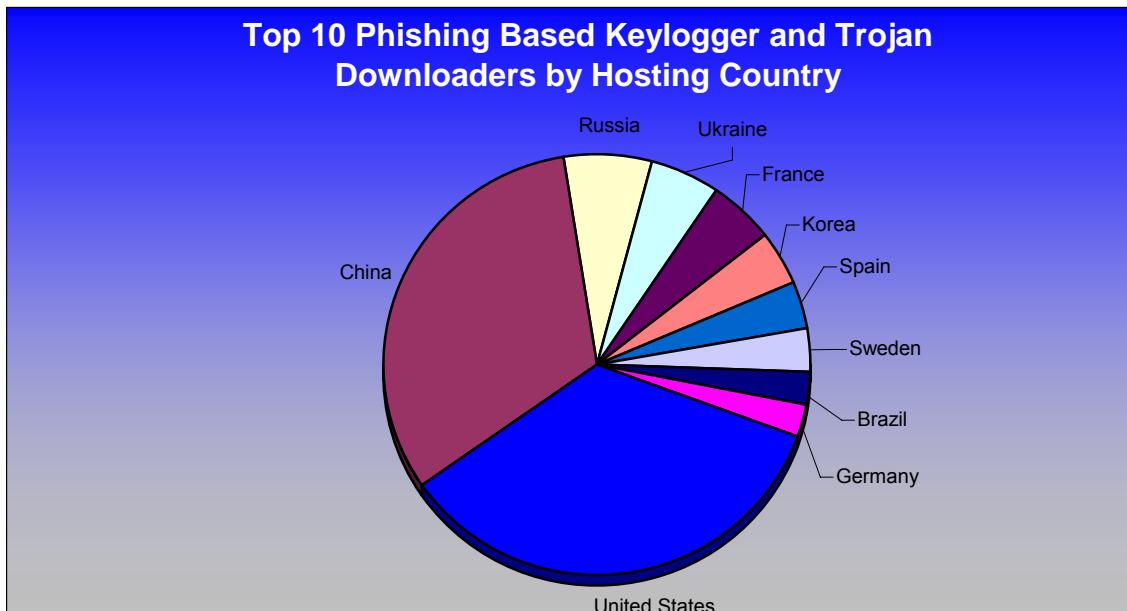
Along with phishing-based keyloggers we are seeing high increases in traffic redirectors. In particular the highest volume is in malicious code which simply modifies your DNS server settings or your hosts file to redirect either some specific DNS lookups or all DNS lookups to a fraudulent DNS server. The fraudulent server replies with “good” answers for most domains, however when they want to direct you to a fraudulent one, they simply modify their name server responses. This is particularly effective because the attackers can redirect any of the users requests at any time and the end-users have very little indication that this is happening as they could be typing in the address on their own and not following an email or Instant Messaging lure.

### Phishing-based Trojans & Downloader’s Hosting Countries (by IP address) in March

The chart below represents a breakdown of the websites which were classified during March as hosting malicious code in the form of either a phishing-based keylogger or a Trojan downloader which downloads a keylogger.

The United States is back on top with 33.93% after being passed for the first time by China last month.

The rest of the breakdown was as follows; China 31.6%, Russia 6.46%, Ukraine 5.21%, France 4.85%, Korea 4.13%, Spain 3.59%, Sweden 3.05%, Brazil 2.69% and Germany with 2.33%.



## Phishing Research Contributors



### MarkMonitor

MarkMonitor is the global leader in delivering comprehensive online corporate identity protection services, with a focus on making the Internet safe for online transactions.



### PandaLabs

PandaLabs is an international network of research and technical support centers devoted to protecting users against malware.



### Websense Security Labs

Websense Security Labs mission is to discover, investigate, and report on advanced internet threats to protect employee computing environments.

For media inquiries please contact Peter Cassidy, APWG Secretary General at 617.669.1123 or [pcassidy@antiphishing.org](mailto:pcassidy@antiphishing.org) and Cas Purdy at 858.320.9493 or [cpurdy@websense.com](mailto:cpurdy@websense.com).



### About the Anti-Phishing Working Group

The Anti-Phishing Working Group (APWG) is an industry association focused on eliminating the identity theft and fraud that result from the growing problem of phishing and email spoofing. The organization provides a forum to discuss phishing issues, define the scope of the phishing problem in terms of hard and soft costs, and share information and best practices for eliminating the problem. Where appropriate, the APWG will also look to share this information with law enforcement.

Membership is open to qualified financial institutions, online retailers, ISPs, the law enforcement community, and solutions providers. There are more than 1600 companies and government agencies participating in the APWG and more than 2600 members. Note that because phishing attacks and email fraud are sensitive subjects for many organizations that do business online, the APWG has a policy of maintaining the confidentiality of member organizations.

The website of the Anti-Phishing Working Group is <http://www.antiphishing.org>. It serves as a public and industry resource for information about the problem of phishing and email fraud, including identification and promotion of pragmatic technical solutions that can provide immediate protection and benefits against phishing attacks. The analysis, forensics, and archival of phishing attacks to the website are currently powered by Tumbleweed Communications' Message Protection Lab.

The APWG, a 501c6 tax-exempted corporation, was founded by Tumbleweed Communications and a number of member banks, financial services institutions, and e-commerce providers. It held its first meeting in November 2003 in San Francisco and in June 2004 was incorporated as an independent corporation controlled by its steering committee, its board and its executives.