

FSCA Press Release

03 June 2025

FSCA issues public warning Neo Forex Institute

The Financial Sector Conduct Authority (FSCA) warns the public to be cautious when conducting financial services business with Neo Forex Institute.

It was brought to the attention of the FSCA that Neo Forex Institute is using Instagram and Telegram to offer Forex signals to members of the public. The FSCA received numerous complaints from members of the public who paid funds to Neo Forex Institute for trading signals.

Providing signals refers to the practice of persons making recommendations to their clients in respect of trades and prices in financial products. The signal provider is remunerated through a subscription fee or a percentage of profits. Even in the instances of clients suffering trading losses, signal providers may benefit through commissions paid by brokers. It is not unusual for signal providers to provide fictitious signals and share fake trading patterns to lure clients into participating.

The FSCA points out that the practice of providing or publishing signals with reference to on-line trading in financial products falls within the definition of financial services in the FAIS Act, and as such persons providing such signals require a financial services provider licence. Providing signals without a licence is a contravention of a financial sector law and a criminal offence. Neo Forex Institute is not authorised in terms of any financial sector law to provide financial services.

The FSCA has been in contact with a representative of Neo Forex Institute, who denied providing signals to members of the public. .

The public is urged not to conduct business with signal providers if such persons are not properly authorised. Financial services providers are only granted licences after a proper consideration of their skills, qualifications, experience, and their fit and proper standing.

To avoid unnecessary risk, the public should refrain from accepting financial advice, assistance, or investment offers from individuals or entities not authorised by the FSCA. Authorised financial services providers must clearly display their authorisation status in their documentation. If this is not present, it is advised to further investigate before making any payments.

The public is strongly urged to exercise caution when considering unsolicited investment offers or investment offers emanating from social media platforms.

It is highly recommended that the public verify:

- that an entity or individual is authorised by the FSCA to provide financial products and services.

Executive Committee:

Commissioner: U. Kamlana | **Deputy Commissioners:** A. Ludin | K. Gibson | F. Badat

- what category of advice the person is registered to provide, as there are instances where companies or people are registered to provide basic advice for a low-risk product and then offer advice on far more complex and risky products.
- that the FSP number utilised by the entity or individual offering financial services matches the name of the FSP on the FSCA database.
- Unrealistic or exaggerated returns

One of the following methods may be used to confirm the status and FSP number of an service provider or a person that claims to be an authorised service provider:

- 1) Toll-free number: 0800 110 443
- 2) Online search for authorised financial institution by license category:
<https://www.fsca.co.za/Regulated%20Entities/Pages/List-Regulated-EntitiesPersons.aspx>
- 3) Online search for a financial institution that is an authorised FSP in terms of the FAIS Act: https://www.fsca.co.za/Fais/Search_FSP.htm

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Email address: Communications@fsca.co.za
Telephone: 0800 203 722