



RESEARCH ARTICLE

Section: *Legal Studies***Market Manipulation Risks in Contracts for Difference (CFDs): Legal regulation and the Jordanian framework**Abdullah Omar Althunibat¹, Salah Mohammed Awaisheh², Wesam Idris AL-Hobabseh³, Noor Issa Alhendi⁴, Reem Saud Fareed Samawi⁵, Monther Abdelrazzaq Musleh Alamaireh⁶ & Sadam Mohammad Awaisheh⁷¹Private Law Department, Applied Science Private University²Private Law Department, Applied Science Private University³Faculty of Law, Applied Science Private University⁴Faculty of Law, United Arab Emirates University (UAEU) – Al Ain⁵Private Law (Commercial Law), Al-Balqa Applied University⁶Criminal Law⁷Public Law Department – Administrative Law, University: Al-Ahliyya Amman University, Jordan**ABSTRACT**

Market manipulation represents one of the most serious threats to the integrity and efficiency of securities markets. By creating false or misleading impressions regarding the supply, demand, or price of financial instruments, manipulative practices distort price discovery, weaken investor confidence, and expose market participants—particularly retail investors—to significant losses. This paper examines the concept of market manipulation within the context of capital market transactions and assesses the legal protection mechanisms available to combat such conduct under Jordanian law. Adopting a doctrinal legal methodology, the study analyses the relevant statutory provisions governing securities trading, market conduct, and investor protection, with particular attention to the role of regulatory oversight and enforcement. The paper argues that effective prevention of manipulation requires not only criminalisation and civil liability rules, but also robust supervisory powers, early detection tools, and coordinated administrative enforcement. It further highlights key legal and practical challenges that may limit the deterrent effect of existing regulations, including evidentiary complexity, the speed of speculative trading practices, and the evolving nature of manipulative strategies. The study concludes with recommendations aimed at strengthening the Jordanian legal framework and enhancing regulatory capacity to ensure fair trading and maintain market confidence.

KEYWORDS: Market manipulation, Securities regulation, Investor protection, Capital markets, Jordan

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1. Introduction

Stock exchanges and capital markets occupy a central position in modern national economies, not only as platforms for investment but also as key mechanisms for liquidity provision, capital allocation, and price discovery. The integrity of securities markets is therefore of fundamental legal and economic significance, as even limited distortions in market prices can undermine investor confidence and erode the credibility of the market as a reliable signal of value. This is particularly important in emerging and developing financial markets, where regulatory capacity, market depth, and investor sophistication may vary significantly.

Among the most serious threats to market integrity is market manipulation, broadly understood as conduct that creates false or misleading impressions regarding the supply of, demand for, or price of a financial instrument. International regulatory standards consistently treat manipulation as a form of market abuse that jeopardizes fairness, transparency, and efficiency in trading (IOSCO, 2000; IOSCO, 2017). Such conduct undermines the functioning of capital markets by weakening price formation and increasing information asymmetry, thereby exposing market participants—especially retail investors—to heightened risk.

In contemporary financial markets, manipulation risks increasingly extend beyond traditional cash equity trading into complex derivative instruments, particularly those traded on a leveraged basis or through over-the-counter structures. In this regard, Contracts for Difference (CFDs) have become a prominent high-risk investment product. CFDs allow investors to speculate on price movements in underlying assets—such as shares, indices, commodities, or currencies—without acquiring ownership of the underlying instrument. Their contractual design typically includes leverage and margin requirements, which can magnify profits but also substantially amplify losses, often producing disproportionate adverse effects on retail investors. Reflecting these concerns, regulatory experience has led to intensified intervention measures in several jurisdictions, including leverage limits and enhanced investor-protection requirements in relation to retail CFD trading (FCA, 2019).

The manipulation risk associated with CFD trading is not merely a practical concern but a legally complex phenomenon. CFDs are frequently offered through intermediaries who may operate as market-makers, potentially generating conflicts of interest between providers and retail clients and raising questions about transparency, fair pricing, and abusive execution practices. In addition, derivatives markets may create incentives for manipulation in underlying asset prices or benchmarks where such manipulation yields strategic advantages for parties holding derivative exposures (Zhang, 2022). This complexity requires regulators to adopt legal tools capable of addressing both traditional manipulation and manipulation strategies emerging from sophisticated, technology-enabled trading environments.

International legal frameworks reflect the seriousness of manipulation and the need for enforceable standards. The European Union's Market Abuse Regulation, for example, treats market manipulation as a core category of market abuse and provides detailed regulatory foundations for prohibitions, reporting duties, and enforcement structures (Regulation (EU) No 596/2014). These comparative standards provide useful benchmarks for assessing national systems, particularly where domestic markets increasingly intersect with cross-border trading platforms and global financial services (Juwaihan et al., 2025).

Within the Jordanian legal context, safeguarding the integrity of securities trading and protecting investors remains a priority, especially given the rising complexity of financial products and the expanding participation of retail traders. Although Jordan's capital market regulatory framework establishes institutional oversight and includes provisions aimed at deterring abusive market conduct, the extent to which existing laws and enforcement mechanisms effectively address the distinct risks posed by CFD-related manipulation remains insufficiently examined. The doctrinal and policy challenge is therefore not only whether manipulation is prohibited in abstract terms, but whether Jordanian regulation sufficiently captures modern manipulation techniques in leveraged and derivative-based environments.

Accordingly, this paper examines market manipulation risks in Contracts for Difference (CFDs) and evaluates the legal regulation of such risks within the Jordanian framework. The study adopts a doctrinal legal methodology based on statutory interpretation, regulatory analysis, and comparative reference to international standards. It argues that addressing manipulation in CFD markets requires a layered approach combining criminalization, civil liability, proactive regulatory supervision, and effective administrative enforcement mechanisms. The paper is divided into two sections: the first clarifies the concept of manipulation and its relevance to CFD-based market conduct, while the second assesses the Jordanian legal protection mechanisms against manipulation and identifies key regulatory and enforcement challenges, concluding with recommendations for strengthening investor protection and market integrity.

2. Legal Protection from Securities Manipulation in Jordanian Law

Although the stock market legislation in the world seems better than it was in the past in terms of combating stock market manipulation operations, these illegal operations still take part of the effort and time of the investigation authorities and the judiciary, manipulating stock prices is a common and widespread occurrence in the global stock

markets. It is one of the crimes usually committed by influential people with huge amounts of money. Accordingly, this section will be divided into two subsections, the first (the concept of manipulation and its forms) and the second (protecting the stock market from manipulation) as follows:

2.1 The concept of manipulation and its forms

To clarify the nature of manipulation as a general concept, manipulation should be defined first, and then its concept according to the scope of the stock exchange, so we will address those topics through the following two subsections:

2.1.1 Defining manipulation and its importance

Delving into the concepts associated with economic patterns requires extreme accuracy, especially since accounting norms and economic approaches may vary in shaping different investment behaviors. Accordingly, determining the legality of a given activity requires careful knowledge and analysis of the economic activity itself (Al-Suhaibani, 2008, p. 4).

What makes the matter even more complex is that many of these practices increasingly occur through modern means of communication, which facilitates misconduct and enables rapid illicit gains. This has arguably contributed to legislative reluctance to provide a rigid definition of manipulation, with preference given to enumerating practical forms and examples. Despite the Jordanian legislator's interest in addressing stock market manipulation, no clear and specific statutory definition is provided; rather, the law relies on examples of conduct deemed manipulative (Borisov, 2016, p. 109).

In view of the danger posed by illegal speculative operations and securities price manipulation to the stability of exchange transactions, capital market legislation has sought to confront such practices by criminalization, regulatory oversight, and sanctions. These practices distort the normal operation of supply and demand, generate losses among traders, and create an atmosphere of mistrust that ultimately impacts national economic stability (Alhrerat et al., 2025).

In seeking a concept of manipulation in financial markets, it is necessary to refer to speculation, since manipulation is the opposite of legitimate speculation. Legitimate speculation aims at profiting from natural price differences based on accurate information and market dynamics under conditions of risk.

Speculation in the stock exchange has been defined as “investing money in the sale of various securities with the intent of making a profit, with a focus on the returns of the company's distribution of profits” (Abu al-Basal, 2009, p. 807). It has also been defined as a process of buying and selling followed by reverse transactions carried out on the basis of information in order to benefit from natural differences in prices, whether of securities or commodities, for the purpose of profit (Al-Jami, 2009, p. 122).

Jurisprudence has addressed manipulation by describing deviant market behaviors conducted—typically—by insiders, market makers, or experts, with the intent of influencing prices by disrupting the supply-and-demand mechanism used to determine fair prices for securities traded on the stock exchange (Yamada, 1998, p. 210). Economists similarly define manipulation as acts undertaken by a trader or group of traders to create an intentional difference between a security's price and its value for profit at the expense of other traders (Al-Suhaibani, 2008, p. 2).

Legal scholars further define manipulation as illegal practices carried out by some market actors to disrupt demand and supply mechanisms, replace real prices with artificial ones, and create false impressions in order to generate extraordinary profits at the expense of other traders (Abdel Karim Ahmed, 2017, p. 720).

Accordingly, legitimate speculation should be understood as an economic activity founded on honest information and market transparency. In contrast, manipulation may be seen as any activity intended to violate the essential elements of legitimate speculation. The criminalization of manipulation is therefore linked to the protected interest of ensuring trust and credit in the stock market and safeguarding information relevant to supply and demand from misleading practices (Al-Saifi, n.d., p. 136; Al-Fayez, 2016, p. 446).

Manipulation produces serious negative consequences for capital movements and financial investments, generates fictitious market conditions contrary to reality, and undermines domestic and foreign investment confidence—particularly where regulatory control is weak and deterrent sanctions are insufficient (Othman, 2010, p. 385).

It should be noted that the Jordanian legislator, similar to other legal systems, did not provide a strict definition of manipulation and focused instead on its forms. By contrast, the Egyptian framework defined manipulation through the Minister of Economy and Foreign Trade Decision No. (135) of 1993, issued under the executive regulations of Capital Market Law No. (95) of 1992 (Minister of Economy and Foreign Trade, 1993). Moreover, Article 63(6) of Law No. 95 of 1992 criminalizes fraudulent practices aimed at influencing market prices (Capital Market Law No. 95 of 1992, art. 63(6)).

2.1.2 Forms of securities manipulation in Jordanian law

The methods and methods used and manipulated by the major speculators in the stock exchange to mislead the young, and the forms of manipulation they use to achieve their goals every time, vary. Here we show some of those manipulative activities and practices, as these practices are many, but the most famous and most influential are the following:

2.1.2.1 Manipulations affecting value by insiders

It occurs when the manipulator performs a behavior that affects the value of the stock, and this manipulation is based on taking advantage of the company's internal information that is not available to the public. This manipulation is by insiders who are defined by Article Two of the Securities Law as "the person who has access to inside information by virtue of his position or job." In most cases, this manipulation is from the decision-makers in the joint-stock company or from people who have access to the company's secrets. (Alayaydeh et al., 2025) Among the cases of manipulation that are usually mentioned under this type is manipulation associated with merger and acquisition decisions, such as announcing an offer to buy, merge or acquire a company, which leads to an increase in the target company's share price, so the advertiser sells what he owns of its shares, and then announces that the negotiations stumbled, and the offer was abandoned.

This prohibition was stipulated in Article (166) of the Jordanian Companies Law, where it states: "The chairman and members of the board of directors of a public joint stock company, the general manager of the company, and any employee in it are prohibited from dealing in the company's shares, directly or indirectly, based on information obtained by him by virtue of his position or work. It is also not permissible to transfer this information to any other person with the intention of causing an effect on the prices of the shares of this company or any subsidiary or allied holding company of the company of which he is a member or employee, or if the transfer would cause such an effect, and every transaction or transaction is null and void. The provisions of this article shall apply to it, and the person who did so shall be considered responsible for the damage he has caused to the company, its shareholders or third parties if a case is raised regarding it."

In the same context, the Securities Law defines in its second article each of the material information and the inside information as follows:

- **Material Information:** "Any fact or information that may affect a person's decision to buy, keep, sell or dispose of a security."
- **Inside Information:** "Unpublished information related to one or more sources, or one or more securities, which may affect the price of any security if it is announced, and this does not include conclusions based on studies, research and economic and financial analysis."

The Jordanian law focused on disclosure that would affect the decisions of traders in the stock market, in addition to information that might affect the price of traded securities, excluding the scientific conclusions of securities prices based on market studies. We point out here the necessity that the disclosed information should actually affect the stock prices. Therefore, the disclosure of the non-affective information is not considered manipulating the stock prices if its impact is not actually real or probable (Zayed & Al-Khashroum, 2007, p. 149).

1.1.1.2 Affective price manipulation by spreading misinformation:

It occurs when a manipulator publishes incorrect information, or information that is correct but presented in a way that other traders can misinterpret, thus affecting their expectations about value. This includes the joint-stock company publishing misleading information about its financial position, and some analysts recommend or give positive information for the shares they own. (Awaisheh et al., 2025b) It is noted that the development of information and communication technologies, especially the Internet and mobile phones, facilitated the dissemination of misleading information about stock values, whether through forums, e-mails, or mobile phone messages.

1.1.1.3 Affective price manipulation through delusional trades:

It occurs when the trader executes trades that have direct effects on the prices and quantities traded in the market, which leads to affecting the expectations of the rest of the traders in the market about the value of the security being traded. It is the most common type of manipulation. The trading that takes place in this medium may be real based on the financial strength of the manipulator, or fictitious through collusion with a group of traders to cause an artificial activity in the market.

2.1.3 Market Manipulation Risks in Contracts for Difference (CFDs)

Contracts for Difference (CFDs) represent a widely used leveraged derivative instrument that enables traders to speculate on the price movements of an underlying asset—such as shares, indices, commodities, or currencies—without acquiring ownership of the underlying instrument. Instead, the parties enter into a contract whereby profits or losses are determined by the difference between the opening and closing price levels of the referenced asset. The product's structure is therefore fundamentally distinct from traditional cash equity trading, as it is based on contractual exposure rather than direct market participation. In practice, CFDs are frequently offered through intermediaries operating on an over-the-counter (OTC) basis, often under a market-maker model in which the provider may act as the counterparty to the client's position. This distinctive trading architecture has considerable implications for market integrity and for the legal assessment of manipulation risk. (Al-Zubi et al., 2024)

The regulatory concern associated with CFDs is not limited to their well-documented investor risk profile but extends to the market integrity dimension. In several jurisdictions, CFDs have been classified as high-risk retail products requiring specific regulatory intervention. For example, regulatory experience in the United Kingdom has led to permanent restrictions on CFDs offered to retail clients, including leverage limits, margin close-out rules, negative balance protection, and marketing restrictions (Financial Conduct Authority [FCA], 2019). Such measures reflect the recognition that CFDs amplify market vulnerability due to leverage and the ease of high-frequency speculative trading, thereby increasing the probability of abusive practices and manipulation-related conduct. From a market abuse perspective, international regulatory standards similarly emphasise that manipulation is a core threat to fair trading and market confidence and requires robust supervisory and enforcement tools (International Organization of Securities Commissions [IOSCO], 2000; IOSCO, 2017).

A primary reason why CFDs may create heightened manipulation risks is their leverage-based design. Leverage increases the sensitivity of gains and losses to small movements in the underlying asset's price. Consequently, even limited price distortions—whether induced intentionally through misinformation, coordinated trading, or artificial order placement—can generate disproportionate profits for the manipulator and disproportionate losses for retail participants. This leverage effect may also create incentives to influence short-term price dynamics around key thresholds, including closing prices, intraday highs and lows, or benchmark-related price points that affect margin requirements or liquidation triggers. In financial economics, it has been argued that derivative contract markets may generate strategic incentives for manipulation, since traders with derivative exposures can benefit from distortions in the underlying price formation process (Zhang, 2022).

The OTC and intermediary-centric nature of CFD trading further contributes to manipulation risk. Unlike regulated exchange-traded instruments, CFDs are frequently offered in environments where pre-trade transparency and order visibility are limited. Moreover, where the provider acts as a market maker and internalises client orders, conflicts of interest may arise, since the provider may assume a position opposite to that of the client. This structure may create circumstances in which execution practices—such as adjustments to spreads, requotes, or slippage—have a direct influence on trading outcomes. While such practices may be legitimate responses to volatility, they may also increase market integrity concerns when their operation is not sufficiently transparent or when they produce outcomes resembling abusive trading conduct. In this setting, information asymmetry and technical complexity make the detection and proof of manipulation-like effects more difficult, particularly for retail investors.

In addition, CFD trading environments can facilitate manipulation patterns that, while conceptually linked to traditional market manipulation, take particular forms due to the product's mechanics and the prevalence of automated orders. For instance, price movements—whether naturally occurring or artificially induced—may trigger clustered stop-loss orders or margin close-outs, generating cascading trading dynamics that benefit parties anticipating such triggers. (Almansour & Ismail, 2024). Likewise, the dissemination of misleading information through online platforms can be especially harmful in CFD markets given the rapid, short-term nature of speculative decision-making. Furthermore, because CFDs reference underlying instruments, manipulation in the cash market may indirectly generate gains in CFD positions, thereby expanding the range of strategies through which manipulators may profit.

These risks demonstrate that CFDs are not merely high-risk products in the investor-protection sense; they also constitute instruments capable of intensifying market abuse vulnerabilities and enforcement complexity. This is especially important because modern market abuse frameworks focus not only on direct price manipulation but also on any behaviour that creates false or misleading impressions as to the price or trading activity of financial instruments. In this regard, comparative frameworks such as the EU Market Abuse Regulation establish broad prohibitions and enforcement structures aimed at safeguarding market integrity (Regulation (EU) No 596/2014).

Accordingly, a proper legal evaluation of market manipulation in the context of CFD trading requires an expanded analytical lens—one that accounts for leverage, OTC structure, intermediary roles, and technical execution characteristics. These features complicate evidentiary assessment and may challenge traditional enforcement models

based on conventional exchange trading patterns. Therefore, integrating CFDs into a market manipulation analysis is essential for ensuring that the legal framework remains responsive to evolving trading environments and to sophisticated forms of abuse (IOSCO, 2000; IOSCO, 2017).

1.1 Protect the stock market from manipulation:

As a result of the danger of manipulating the financial markets, targeting public and private economic interests and creating a state of fake economics in the market, it is worthwhile for the legislator to seek to protect the market, supply and demand in it with a set of legal measures that collectively represent preventive and other remedial measures to control economic activities in the markets, the most important of which is the stock market.

Many legislations in different countries have confronted all forms of illegal speculation and manipulation of securities prices, in order to prevent losses for dealers in the stock exchange and create an atmosphere of mistrust in it and affect the national economy. Therefore, these legislations hastened towards protecting trading from illegal speculation (Badawi, 2006, p. 34).

In the following, we will discuss the Jordanian law regarding these practices, showing through this simplified presentation the total of preventive and remedial measures adopted by the Jordanian legislator in order to protect the stock market from manipulation of securities.

1.1.1 Preventive measures to protect the stock market:

The Jordanian legislator was keen to prevent expected manipulation in the stock market with a package of various texts that enhance and enshrine transparency and legal issues and control economic activities that may be the focus and engine of manipulation operations. Which would enhance confidence in financial transactions in the stock market by spreading an atmosphere of confidence and safety in the stock market. Perhaps one of the most prominent points that achieve these goals is the Jordanian legislator's adoption of the governance system as a control system that enhances transparency in dealing and enshrines the principle of responsibility. (Aawishe et al., 2024)

Under the Securities Law No. 18 of 2017, the Jordanian legislator established the Securities Commission pursuant to Article 7 of the same law (Securities Law No. 18 of 2017 (Jordan), art. 7). The Commission is managed by a board known as the Board of Commissioners (Securities Law No. 18 of 2017 (Jordan), art. 10). The Commission exercises a range of tasks and powers, including the authority to set governance rules for entities subject to its supervision (Securities Law No. 18 of 2017 (Jordan), art. 12). In practice, the Board has issued several regulatory instructions, including the governance instructions applicable to listed public shareholding companies for the year 2017.

In addition to the Securities Law, the Jordanian legislator incorporated corporate governance obligations into the Companies Law through the latest amendments. Article 151 imposes mandatory governance compliance on public shareholding companies, requiring implementation of governance instructions issued by the Minister upon the Controller's recommendation. It further mandates that the company's financial, accounting, and administrative affairs be regulated through special by laws prepared by the board of directors, which must define the duties and powers of the board, its relationship with executive management, and the relevant governance committees. These bylaws must be submitted to the Controller and are subject to ministerial approval within thirty days (Companies Law (Jordan), art. 151, as amended by Amending Law No. 34 of 2017).

1.1.2 Remedial measures to protect the stock market:

The Jordanian legislator has put in place a set of remedial measures to confront manipulation in the financial markets by criminalizing such behaviors and holding the perpetrators criminally and civilly responsible for such acts. The Jordanian legislator has addressed the negative and illegal practices carried out by some, which would cause disruption and loss of balance and economic growth for any country.

The Jordanian legislator provides that any person who submits incorrect or misleading data, offers or sells securities on the basis of inaccurate information, or where an auditor certifies misleading financial statements or violates approved accounting and auditing standards, may incur civil liability, including compensation for any person who suffers financial loss. The same applies to trading in securities (or compelling others to trade) based on inside information, exploiting or disclosing inside or confidential information to obtain material or moral gains, including by members and employees of the financial market's governing bodies (Securities Law No. 18 of 2017 (Jordan), art. 105).

The Jordanian legislator further prohibits spreading or promoting rumours, or providing misleading or inaccurate information, data, or statements capable of affecting the price of a security or the reputation of an issuer. (Awaishah et al., 2025) The prohibition also extends to any conduct intended—whether individually or in collusion with others—to influence securities transactions so as to create a false impression regarding the price or trading volume of any security or related security (Securities Law No. 18 of 2017 (Jordan), art. 106).

Securities Law also establishes a general punitive framework designed to cover the widest possible range of unlawful market practices. It imposes a fine not exceeding 100,000 Jordanian dinars, together with an additional fine of no less than double the profit obtained or double the loss avoided, provided that it does not exceed five times such profit or loss (Securities Law No. 18 of 2017 (Jordan), art. 107(A)). It should be emphasized that this additional fine retains its criminal nature and does not constitute civil compensation. In this context, the law separately addresses civil compensation for harms arising from violations, including manipulation, by confirming the offender's obligation to compensate harmed persons for actual losses incurred or profits missed, and empowering the competent court to seize assets as security for the payment of fines and compensation (Securities Law No. 18 of 2017 (Jordan), art. 107(F)–(G)).

In addition, the law imposes imprisonment penalties, without prejudice to any more severe penalty provided under other legislation. In particular, imprisonment for a period not exceeding three years may be imposed for violating specified provisions, including those relating to inside information and prohibited securities practices (Securities Law No. 18 of 2017 (Jordan), art. 107(B)).

Moreover, the legislator criminalizes participation in offences under the Securities Law, including manipulation-related conduct, by imposing the same penalty on accomplices, interveners, and instigators as that imposed on the principal offender (Securities Law No. 18 of 2017 (Jordan), art. 107(D)). However, liability does not extend to board members, partners, or employees of the violating legal person unless knowledge of the violation is proven. (Awaisheh et al., 2025a)

Beyond the Securities Law, Article 435 of the Jordanian Penal Code prohibits illegal speculation as a form of fraud in commercial transactions, criminalizing acts intended to artificially raise or lower the prices of public or private commercial goods or shares traded on the stock exchange, including spreading false information, placing deceptive buy or sell offers, or undermining supply and demand dynamics (Penal Code No. 16 of 1960 (Jordan), art. 435). Nonetheless, this provision is primarily framed within the broader category of fraud and appears limited in its scope to goods and shares, without explicitly covering other categories of securities (Al-Fayez, 2016, p. 450).

Finally, the Jordanian legislator classifies certain offences—namely those provided in Article 435 of the Penal Code—as economic crimes under the Economic Crimes Law, subjecting them to a stricter enforcement approach (Economic Crimes Law No. 11 of 1992 (Jordan), art. 3(C)(6)). The Economic Crimes Law further provides additional punitive consequences, including confiscation of illicit gains and limiting the use of judicial mitigating reasons, reflecting the legislator's intent to deter conduct harming national economic interests (Economic Crimes Law No. 11 of 1992 (Jordan), art. 4).

2 Conclusion:

Although the stock market legislation in the world seems better than it was in the past in terms of combating stock market manipulation operations, these illegal operations still take a portion of the effort and time of the investigation authorities and the judiciary, manipulating stock prices is common and widespread in the global stock markets, as it is one of the crimes usually committed by influential people with huge amounts of money.

After reviewing the subject of this research paper, several conclusions can be drawn, in addition to suggesting some of the recommendations reached by the researcher, and the most prominent of these results and recommendations are as follows:

Securities manipulation is one of the biggest pests affecting stock markets and has a significant negative impact on the economies of countries and impedes the economic development processes in the country, which raises alarm bells and motivates the supervisory authorities to put in place effective mechanisms to fight and combat this scourge.

The development of the means of communications and information technology has led to the creation of new patterns of stock manipulation, which requires legislative intervention to address these patterns and illegal behavior.

The legislative treatment of securities manipulation in the Jordanian Penal Code calls for immediate treatment by the Jordanian legislator in a manner that achieves protection for all securities from fraud, illegal speculation and manipulation, and not be satisfied with what is stated in the Securities Law in order to achieve a unified legislative system and remove any kind of conflict, inconsistency or even incomplete processing.

It is noted from the system of Jordanian legislation under study that it has been recently amended, which reflects the legislator's awareness of the importance of financial markets and their need for a strict legislative system that achieves safety and confidence in the stock market.

Dedicating reliable, correct and available information channels in a legitimate manner contributes to the prevention of manipulation in commercial papers and raises awareness among speculators and traders in the stock market, which makes this issue one of the issues that must be taken into account by the legislator, and finds in the application of corporate governance a way to achieve transparency in stock trading.

3 Recommendations:

Awareness of each of the traders in the stock exchange as well as the employees of companies listed on the stock exchange and the authorized persons by organizing lectures, seminars and conferences and conducting advertising campaigns in all the different media about the importance of improper behaviors and practices in trading, including:

Awareness of the importance of inside information and circulation during its possession, exploitation or disclosure to other persons who are not familiar with it.

Awareness of behaviors and practices that constitute manipulation or fraud in trading that result in deception and misleading of the trading public, as well as unequal opportunities for all market traders.

The Securities and Exchange Commission, implemented an awareness campaign directed to all market parties, especially brokerage companies, showing the procedures for controlling the market, how to detect cases of manipulation, and the mechanisms for reporting them to the relevant authorities. It is expected that this campaign will increase market discipline and the parties' commitment to market regulations, and activate their preventive role in preventing cases of manipulation.

The burden of maintaining market integrity is not limited to the Capital Market Authority, but must be sought by all relevant parties, especially the financial market, brokerage firms, investment banks, the community of accountants and financial analysts, by building a strong internal control system to detect cases of manipulation.

Applied studies of cases of manipulation have shown that no one is immune from manipulation, and that all parties in the securities trading industry may practice it in the absence of internal and external control over their activities. What necessitates making sure of the existing systems that cover all possible cases of fraud, and define them in a definition that facilitates their discovery and trial, while supporting them with the executive judicial bodies that speed up the procedures for investigating and adjudicating the manipulation operations.

Monitoring the work of financial brokerage companies and monitoring the representatives of those companies, because any manipulation of stock prices, there must be complicity and participation by those companies and the assistance of those brokers or their representatives.

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