

26th February 2021

FCA WARNING—BITCOIN INVESTORS SHOULD 'BE PREPARED TO LOSE ALL THEIR MONEY'

Bitcoin has recently seen record highs, the FCA has issued a warning to all would-be investors in cryptocurrencies to 'be prepared to lose it all'. Cryptocurrencies are not covered by investment regulation, so there will be little protection if the investment goes wrong.

The FCA is aware that some firms are offering investments in cryptoassets, or lending or investments linked to cryptoassets, that promise high returns. Investing in cryptoassets, or investments and lending linked to them, generally involves taking very high risks with investors' money. If consumers invest in these types of product, they should be prepared to lose all their money.

It is expected that fraud criminals will seek to maximise on the sudden interest in Bitcoin and cryptocurrencies by flooding the market with crypto investment scams.

It is believed that fraudsters are likely to begin setting up fake cryptocurrency firms in order to lure people into investing in what they believe to be a genuine product.

Residents should be wary of investment offers that come out of the blue, where they are pressured to invest quickly, or are promised returns that seem too good to be true.



For further advice visit

www.fca.org.uk

or search

FCA Cryptoassets

in your search engine



If you or someone you know is vulnerable and has been a victim of fraud, please call **Essex Police** on 101
Report fraud or attempted fraud by contacting **Action Fraud** at actionfraud.police.uk or call 0300 123 2040

Keep up to date with fraud and
do **even more** Online at essex.police.uk

