

Losing Money and Getting Sick: 8 Cryptocurrency Pitfalls You Must Know!

Cryptocurrency fraud is one of the most pressing and alarming problems today.

The cryptocurrency market is getting hotter and hotter with the emergence of countless new projects and digital currencies. But hidden behind that flashy appearance are sophisticated traps that can make you lose everything in the blink of an eye. Below are the 8 most common scams that investors, especially newbies, need to be extremely vigilant about.



Cryptocurrency scams are rampant, beware!

1. Fraudsters drain virtual wallets in a flash

Think of your crypto wallet as a safe filled with gold. Thieves will do anything to steal the keys (private keys) or passwords (Secret Phrases) to this safe. They can spoof emails, text messages, even official websites just to trick you into giving them your information. In just a moment of carelessness, all your digital assets can "evaporate" in an instant.

To protect yourself, never share your private keys or secret phrases with anyone. Also, always double-check the website you are visiting to access your cryptocurrency wallet. Also, make sure you only install legitimate cryptocurrency wallet apps or extensions.



Just one minute of carelessness and all the money in your wallet will be drained.

2. Impersonation to scam

Having trouble with your account or e-wallet? Don't be quick to trust the 'keyboard warriors' who appear and promise to help. They are most likely scammers posing as customer support staff, just waiting for you to make a mistake so they can steal your login information and 'steal' your assets.

The best way to avoid this is to only contact customer support through the official channels of the exchange or wallet provider. Also, do not click on links attached to suspicious emails or messages.

3. Liquidity Trap (Rug Pull)

Think of a cryptocurrency project as a ship. Liquidity is the 'life buoy' that ensures the ship doesn't sink when it encounters storms. Scammers will create ghost projects that don't have this life buoy. Once they've raised enough money, they'll 'pull the buoy' and disappear, leaving investors with worthless tokens.

To protect yourself, always verify that the token's liquidity is locked using blockchain explorers like Etherscan or BscScan or tools like DexScreener and RugCheck. Also, be especially wary of projects that promise "huge" returns in just a few days.

5. "Dusting" attack strategy

This sophisticated attack tactic is mainly used to exploit the victim's trust, by hackers will send them small amounts of cryptocurrency "out of thin air". When they trade this money, they will trace it and attempt to steal their identity, blackmail or scam them.

As for the solution to dealing with Dusting attack tactics, you should never transfer the money received from hackers, and use disposable wallets to handle unexpected funds.

6. The trick of "inflating prices - dumping goods"

To put it simply, think of the cryptocurrency market as a game of chance. Manipulators will inflate the price of a cryptocurrency to an astronomical level, attracting investors to pour money into it. When the price peaks, they will dump all their stocks, causing the price to plummet and leaving those who bought at the peak in dire straits.



Manipulators often push cryptocurrency prices very high and suddenly "dump" them.

When investing in cryptocurrencies, be wary of hype surrounding cryptocurrencies, especially meme coins. Also, do your research on the project, its team, and its fundamentals before investing.

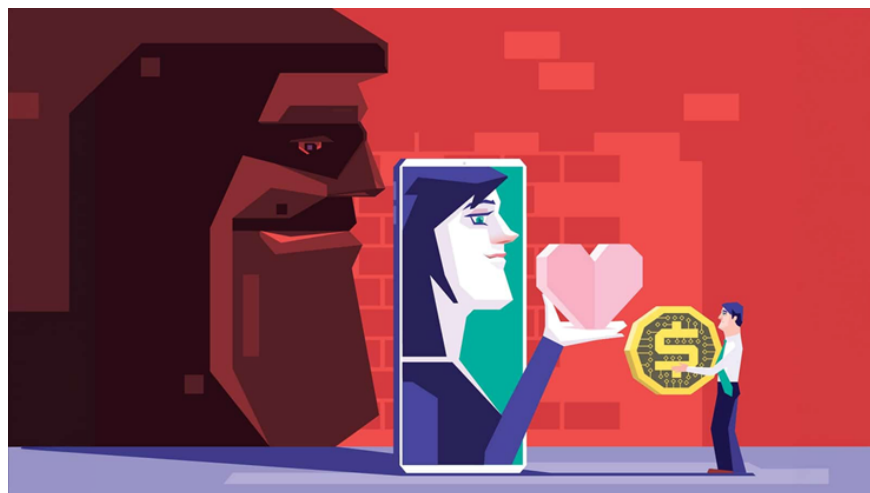
7. Impersonating celebrities

Hackers often target celebrities because of their influence. So be careful and do not trust these idols completely, their social media accounts can be hacked to promote fraudulent cryptocurrency projects. If you believe and follow their lead, you may lose money.

Check the information on the official channels of the celebrity or company. In particular, real "Airdrop" projects will never ask their users to deposit money.

8. Pig Butchering

In the virtual world, finding love is easier than ever. But be careful, there are scammers who will approach you, build a close relationship with you, then lure you into investing in "ghost" projects and make you lose everything.



Using emotions to scam virtual money is a fairly common method.

The way to avoid this trap is to be cautious with new friends you meet on social media, especially when they mention investing in cryptocurrencies. Always do your research on the investment platform and do not believe in promises of "guaranteed profits" from virtual relationships online.

You finished reading the article "**Losing Money and Getting Sick: 8 Cryptocurrency Pitfalls You Must Know!**" edited by the [TipsMake](#) team. We hope this article has provided you with many useful tech tips and tricks. You can search for similar articles on tips and guides. Thank you for reading and for following us regularly.