



## **Virtual Currencies like Bitcoin are Hot! Don't get Burned.**

Lately, it seems that you can't go one day without hearing about the tremendous gains (and losses) of Bitcoin and other popular virtual currencies. While high returns make it enticing to invest, the [U.S. Commodity Futures Trading Commission](#) wants you to be aware of the possible risks associated with investing or speculating in virtual currencies or Bitcoin futures and options.

### What You Should Know:

- [Virtual currencies](#) have been deemed commodities under the Commodity Exchange Act (CEA) and thus fall under the CFTC's purview in related circumstances. When Ponzi schemes or manipulation occur in virtual currency markets, for example, the CFTC would have oversight.
- While virtual currencies have potential benefits, the cash market is largely unregulated, so beware. Virtual currencies:
  - Are commonly targeted by hackers and fraudsters
  - Have no assurance of recourse if stolen
  - Involve e-wallets or storage that present cybersecurity risks
  - Carry speculative risk plus fraud and manipulation risks

### What You Should Do:

- Visit the CFTC's virtual currency resource page, [cftc.gov/bitcoin](http://cftc.gov/bitcoin) to learn more about how to protect yourself in this fast-evolving market. You'll gain quick access to the CFTC's virtual currency educational materials, including customer advisories on the latest fraud concerns.
- If someone tries to sell you an investment in virtual currency options or futures, including Bitcoin, verify they are registered with the CFTC. Visit [SmartCheck.gov](http://SmartCheck.gov) to check registration status and learn more about common investment frauds.
- Tune in to [CFTC Talks podcasts](#) to learn more about the markets the CFTC regulates.
- Several of the CFTC's [brochures](#) are available in print and free of charge. Please contact [consumers@cftc.gov](mailto:consumers@cftc.gov) to order copies.
- If you think you've been victimized by a virtual currency fraud, call the CFTC toll-free at 866-FON-CFTC (866-366-2382) or submit a tip [online](#).

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