

Don't fall for these Pump and Dump Scams: Cyber-Forensics.net alerts of a new scam and urges to follow preventive tips

Pump and dump is a scamming technique where fake coin promoters spread misleading info to inflate the price of a specific digital crypto coin and then run away.

SOFIA, BULGARIA, April 25, 2022 /EINPresswire.com/ -- In the past, scammers relied on cold calls to sell fake products and target innocent people. But today, the internet has offered a cheaper and easier method to reach a considerable number of potential targets within a blink.

This is precisely what attentive investors and financial organizations noticed in the form of a pump and dump scam that swindled billions from people last year.

When investigations commenced, Cyber-Forensics.net, a cyber forensics service for online scam victims, discovered how several groups of fake promoters enticed unsuspecting investors into purchasing their fake company's shares.

The information that surfaced then explained that these few groups somehow created the hype around their fake projects:

How Does a Pump and Dump Scam Work?

The defrauding tactic involves boosting the price of a digital asset like a coin or stock based on false information. According to cryptocurrency experts, the favored medium of targeting investors to conduct this scam is social media or sending anonymous messages through apps like Telegram and Discord.

The promoters of the scheme/ project then begin to spread rumors to hype the artificially created coins. Once the coin price increases significantly, promoters sell the stocks at higher than usual prices. And finally, run away with the collected investments.



Cyber Forensic Specialist



Cyber-Forensics.net

“

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Timothy Benson

[Cryptocurrency investigation](#) expert Timothy Benson working at Cyber-Forensics.net, informs:

“There is a reason why pump-and-dump scammers target unsuspicious targets. It is easy to manipulate them, and less experienced investors don't understand the risk factors tied with early-stage schemes.”

Why Pump and Dump Schemes are a Reason to Worry?

In January 2021, a New Jersey woman saw the exciting opportunity when she found a glowing advertisement on her social media account.

The scheme talked about financial health and some innovative new products. She purchased the stock because she believed she had just found an ambitious project.

But when the promoters behind the scheme sold their shares at the peak and stopped hyping the project, she met the nightmare of her life: a significant portion of her life savings lost in seconds.

[Crypto recovery](#) expert Peter Thompson explains, "crypto scammers frequently use such ploys because it's easier to steer potential victims into the pump and dump scams. But, it is vital to do good research before investing in any project."

Here are some tips that Peter Thompson recommends every crypto enthusiast should implement:

Tips to Avoid Pump and Dump Scam

- Never believe the hype: Do a full background check on the enlisted scheme/ project before investing in it. Many small trade stocks fail to meet the mandatory listing requirements. Instead, they trade in over-the-counter markets, which are more susceptible to manipulation and risks.
- Find out about the stock trades: Talk to crypto experts and gather complete information. Also, verify the claims made by the promoters. When such offers appear on the internet, make sure it's legitimate. And remember that people touting the stock might be paid supporters who stand there for handsome profits.
- Watch out for the media cycle: Mostly, all the legitimate projects have a good history of coverage by the media. Any viable project is bound to have a market presence. There have been cases of bad actors running pump and dump schemes by posing as legitimate development teams. So, be careful.
- Know what to buy and when to avoid it?: Not every crypto opportunity is worth investing in. The global nature of the crypto sphere makes it a ripe ground for bad actors to operate their

pump-and-dump schemes. And there are consequences that one might have to face.

□ Analyze where the investment risks: Before putting entire capital at risk, it is vital to look at the investment thesis that is driving the project. Scrutinize the amount allocations and understand how the token's price will increase.

□ Look at the volume: Make sure to check the past trading volume of the token. If there is a massive purchase in just a few weeks, it might be better to exit the market.

What to do if Scammed Into a Pump and Dump Scam?

When someone believes cryptocurrency scammers have targeted them into pump-and-dump scams, it is essential to report the matter to law enforcement, exchange commissions, cyber forensic services.

Additionally, contacting [fund recovery services](#) can also be a part of the process when the goal is to manage the financial risks further.

How to report the Pump and Dump Scam?

Pump and dump scams aren't new to crypto space. They keep appearing in various other forms like rug-pull and pig-butcher. An accurate approach to report crypto scams is to file the complaint online or reach out to authorities in person with details of how the fraud occurred?

Reporting the matter to fund recovery services

Victims of pump and dump scams can hire fund recovery experts to increase their chances of recovering their lost cryptocurrency. Such services invest highly-advanced tools and equipment in investigating the case for victims and implementing the best industry practices to recoup optimum funds from scammers.

About Cyber-Forensics.net

Cyber-Forensics.net is committed to providing the most accurate tracing service for victims of online scams. Cyber-Forensics.net empowers and simplifies the process of tracking down the cyber-criminals and assists in recovering the funds and creating an atmosphere for a negotiated settlement. Cyber-Forensics.net commonly deals with Bitcoin scams and Forex withdrawal problems. For more information, please visit <https://cyber-forensics.net/>.

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