

More than half of all Brazilian online gambling is illegal: Brazil is at the tipping point for online gambling control

SAO PAULO, BRAZIL, October 15, 2025 /EINPresswire.com/ -- New research and analysis from Yield Sec shows success and concern across the recently legalized and regulated online gambling marketplace in Brazil. After decades of unregulated activity, Brazil entered 2025 with high expectations for its new legal online gambling framework.

The good news: After six months of legal and licensed online gambling operations, Brazil achieved a successful start to its legal online gambling sector that is unmatched by other global jurisdictions:

- 49% of all Brazilian online gross gambling revenue (GGR) went to legal, licensed and regulated brands in Brazil over the first six months of 2025. In comparison, the American online gambling marketplace has only achieved 26% legal control after seven years of regulation.
- The revenue value (GGR) for legal and licensed online gambling brands in Brazil was R\$17.4 billion (US\$3 billion) over the first six months of 2025.
- The taxation value to Brazil from legal and licensed online gambling brands was R\$4.5 billion (US\$775 million) over the first six months of 2025.

The concerning news: After six months of legal and licensed online gambling operations, Brazil's marketplace is still dominated by crime.

- 51% of all Brazilian online gross gambling revenue (GGR) went to illegal, unlicensed, unregulated and criminal online gambling brands targeting and taking transactions from Brazilian audiences over the first six months of 2025.
- The revenue value (GGR) stolen from Brazil by illegal, unlicensed, unregulated and criminal online gambling brands was R\$18.1 billion (US\$3.1 billion) over the first six months of 2025.
- The taxation value stolen from Brazil by illegal, unlicensed, unregulated and criminal online gambling brands was R\$4.6 billion (US\$802 million) over the first six months of 2025. In financial terms, for every 1 Brazilian real generated by a legal online gambling operator in Brazil, crime steals 1.04 real. In the first half of 2025 alone, R\$4.5 billion (US\$775 million) in taxes were collected from legal online gambling operators, while R\$4.6 billion (US\$802 million) were lost to criminal operations — proof that theft by the illegal economy is siphoning money away from Brazilian communities, commerce, and consumers.

Yield Sec data and analysis within the new report predicts that unless clear changes are made towards policy, process and practice towards the illegal sector, criminal control of Brazil's online

gambling marketplace will grow over coming months and years. Yield Sec trend predictions from current data, and adjusting for the unique nature of Brazil's online gambling marketplace that does not feature the same sports and casino seasonality as the USA or Europe, for example, indicates that illegal operators will exceed more than 70% of total marketplace revenue value (GGR) by the end of 2026.

Two main factors drive this trend:

- **Marketplace Interference:** Constant speculation about new regulations and restrictions — age limits, advertising bans, higher taxes, deposit caps and affordability checks, and the exclusion of welfare recipients — has created instability and fear in the legal sector which affects their investment in the marketplace, impacting what consumers see and engage with in marketing and advertising terms. Across all audience exposure in Brazil in the first six months of 2025, 56% of all online gambling and related content was for the promotion of illegal online brands.
- **Regulation Exploitation:** Crime has not been sufficiently disrupted within the Brazilian online gambling ecosystem. Every new regulation for legal online gambling brands to comply with and obey has become a clear opportunity for crime to leverage, communicating directly with consumers and positioning itself as the “easy option.” Meanwhile, legal operators face structural disadvantages across price, product, and promotion:
 - **Price:** Illegal operators pay no tax or licensing, allowing for unbeatable odds and promotions.
 - **Product:** Illegal operators promote unlimited betting and casino products, ignoring age and deposit limits and exploiting vulnerable players, including children and those struggling with gambling problems.
 - **Promotion:** Illegals flood the digital environment in Brazil with an average of over 22,000 new pieces of gambling content per day, targeting especially the under-35 year-old audience through illegal streaming of sports events, messaging apps, and social media clips.

Yield Sec collects and analyzes data by anonymously monitoring all user interactions across the entire online gambling ecosystem. Yield Sec tracks activity on websites, apps, ads, social media and more to map the entire marketplace. This comprehensive surveillance allows the platform to identify, qualify and quantify all operators in the marketplace - both legal and illegal. Yield Sec intelligence and actions helps governments, legal industry, treasury, law enforcement and other legal stakeholders to wage an effective fight against crime to protect revenue, taxation and consumer safety.

Ismail Vali, Founder and CEO of Yield Sec, said: “Brazil's online gambling marketplace success during the first half of 2025 shows what effective regulation can achieve — but also how quickly it can be undone when crime is not effectively reduced and removed. The most concerning trend in the 2025 first half year data? The 10% shift towards criminal control of the online gambling revenue (GGR) across just the January to March and April to June periods – this shows crime has not been defeated, and crime has come back to Brazil. The biggest threat to all that Brazil wishes to create from the legal and regulated online gambling marketplace is from only one thing: Crime. Legal stakeholders must act now to ensure that online gambling in Brazil is fair, safe and delivers the benefits it can and should bring to Brazil across local commerce, community and

consumers. During our work on this report, the Yield Sec team found a quote from a Brazilian social media influencer explaining Brazil's fondness for online gambling: "rich or poor in Brazil, everyone gambles." Yield Sec hope that with the publication of this report we shine a light on the reality of the Brazilian online gambling marketplace, and do not allow the Brazilian fondness for online gambling to become the biggest opportunity for crime to steal from everyone who gambles in Brazil."

Request a copy of the Yield Sec Brazil 2025 Special Briefing: info@yieldsec.com

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