Trading cryptocurrency is problematic for regular gamblers, study says

8 March 2019

Researchers at the Center for Gambling Studies at Rutgers University-New Brunswick's School of Social Work have found a link between frequently trading cryptocurrency—a digital and virtual currency—and problem gambling. The study, the first to explore cryptocurrency trading among regular gamblers, suggests crypto trading appeals to people struggling to manage their gambling participation. The research appears in the journal *Addictive Behaviors*.

Cryptocurrency trading is similar to gambling but anonymous, unregulated and available 24/7, said Mills. As found in the study, problem gamblers are at an elevated risk to trade cryptos more frequently, likely due to their impulsivity and belief that they can "beat the market". Not surprisingly, crypto trading could be conceived as an extension to high-risk day trading activity. More than 75 percent of high-risk stock traders also trade cryptos. Gamblers trading both cryptos and high-risk stocks reported higher *problem gambling* and greater depression and anxiety symptoms than gamblers trading either only cryptos or only high-risk stocks. Therefore, the two share similar demographics and gambling preferences, but also present additive consequences that will require further attention among gambling researchers and mental health professionals.

"People who trade cryptos look very much like those who trade high risk stocks such as margins and options," said Lia Nower, director of the Center for Gambling Studies who co-authored the study. "Therefore, those who like risky stocks are also more likely to jump into the cryptocurrency trading market compared to those who, for example, invest in stocks over the long term."

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The study included 876 adults who had gambled at least monthly in the past year. The data was collected through a cross-sectional online survey.


Provided by Rutgers University

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