# Investment fraud losses in the UK reach £649 million in a year



Fraud scammers have extracted a staggering £649 million from bank accounts across the UK over the past year, according to newly released nationwide data from Action Fraud. This alarming figure represents a marked increase in financial losses related to investment fraud, particularly in the rapidly growing realm of cryptocurrency scams. The statistics reveal that individuals aged 35 to 44 are the most frequently targeted for investment fraud, while those aged 55 to 64 suffer the highest monetary losses.

Investment fraud typically involves criminals reaching out to potential victims—often unsolicited—and convincing them to invest in schemes or products that are either worthless or completely fictitious. Common fraudulent claims include investments in foreign exchange, gold and other precious metals, overseas timeshares, or cryptocurrency, with fraudsters promising unrealistically high returns that surpass conventional market trends.

In 2024, Action Fraud recorded a total of 25,843 incidents related to investment fraud, which resulted in cumulative losses of £649,062,146. Although the volume of reports represents a 7% decline from the previous year, the total financial loss experienced showed a 13% increase, indicating that while fewer scams may be occurring, they are likely more substantial in nature. Cryptocurrency scams comprised 66% of all reports in this category, reflecting a significant 16% increase from the prior year.

Detective Superintendent Oliver Little, from the Lead Force Operations Room at City of London Police, commented on the issue, stating, “Investment fraud continues to be a key focus area for the City of London because of its prevalence - which is evident from the stark figure of £649 million that has been lost last year.” He further emphasised the importance of caution, saying, “It may seem obvious, but we would really emphasise the age-old ‘if it is too good to be true it almost certainly is’ mantra.” Little advised individuals to conduct thorough independent research, verify whether investment firms are registered with the Financial Conduct Authority (FCA), and refrain from seeking financial advice via social media or from cold contacts.

A concerning dimension of these frauds is the utilisation of social media platforms, with 36% of all investment fraud reports linked to such channels. Among these, WhatsApp emerged as the most frequently exploited platform, involved in 40% of reported scams, followed by Facebook and Instagram, accounting for 18% and 14%, respectively. This trend underscores the need for caution when approached via social media by individuals claiming to present lucrative investment opportunities.

Additionally, fraudsters are increasingly impersonating well-known public figures to increase their credibility. A striking 44% of the 537 reports involving impersonation during the year cited Martin Lewis, the respected financial expert, as the most common identity referenced. Victims associated with scams using Lewis's name ranged in age from 31 to 93, with 68% of cases involving individuals aged 60 and above—an age group likely familiar with Lewis due to his prominent role in financial media. Other frequently impersonated figures included Elon Musk at 40% and Jeremy Clarkson at 8%.

Overall, these findings reveal a growing sophistication among investment fraudsters, who are adept at exploiting digital platforms and the reputations of trusted personalities to deceive potential victims. As a precaution, it is advised that any investment opportunity promising returns well above the typical 4-5.5% yield associated with legitimate FTSE 100 investments be approached with scepticism.

The data from Action Fraud thus illustrates not only the extent of the financial ramifications of investment fraud in the UK but also highlights the ongoing evolution of criminal tactics employed in these schemes.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.actionfraud.police.uk/> - This URL supports the claim that Action Fraud is a key source for reporting fraud incidents in the UK, such as investment scams.
* <https://www.fca.org.uk/> - This URL is for the Financial Conduct Authority, which individuals can use to verify if investment firms are registered, a crucial step in preventing investment fraud.
* <https://publications.parliament.uk/pa/ld5803/ldselect/ldfraudact/87/87.pdf> - This document discusses fraud in the UK and supports the broader context of how fraud affects the economy and public trust.
* <https://www.facebook.com/> - Social media platforms like Facebook are cited as common channels exploited by fraudsters, as mentioned in the article regarding investment scams.
* <https://www.whatsapp.com/> - WhatsApp is highlighted as the most frequently used platform in investment scams, underscoring the risk of fraud via messaging apps.