# AI in crypto trading: hype versus reality at Consensus 2025



The emerging convergence of artificial intelligence (AI) and cryptocurrency trading has the potential to transform the trading landscape. However, current developments in AI-powered crypto trading tools appear to be falling short of delivering meaningful advancements, as highlighted by industry observers and speakers at the recent AI Summit during Consensus 2025 held in Toronto from May 14 to 16.

Many new crypto trading solutions are prominently marketed as AI-driven, promising “next-gen trading signals” and “perfect agentic trading.” In reality, these offerings often amount to what has been described as “GPT wrappers”—products built mainly around large language models like ChatGPT, which provide a surface-level application of AI without deeper utility or transparency in their architecture. This has led to criticism that many of these AI trading platforms are overhyped and overpriced, ultimately underperforming and lacking substance.

Saad Naja, a speaker at the AI Summit, emphasised that for AI to genuinely revolutionise trading, it must be designed to augment the trader's experience rather than replace the trader entirely. According to Naja, "Traders don’t need another emotionless agent with unfettered agency. They need tools that help them trade better, faster, and more confidently in environments that simulate real market volatility before going trading in the real markets." He further warned against the proliferation of hastily developed AI trading solutions that prey on fear and confusion, often offering little training and transparency while encouraging “set and forget” habits that may negatively impact traders.

The critique extends to the lack of integration between AI agents and real-world trading complexity. True innovation, it is argued, would involve creating meta-models that integrate predictive AI models with real-time data sources such as APIs, sentiment analysis, and on-chain data—all crucial for understanding the nuanced and emotion-driven shifts in crypto markets. Traders rely heavily on detecting shifts in community sentiment, especially around platforms like Crypto Twitter, which can move markets through collective bullish or bearish signals. As such, an AI trading agent’s inability to interpret these emotional nuances is seen as a significant drawback.

An additional point raised is that effective trading tools should focus on education and skill development through simulation environments, allowing traders to experience the ups and downs of trading in a risk-free setting. Naja compared this learning process to driving a car, where actual experience—including mistakes—is vital to mastery. These virtual environments would enable traders to spot technical patterns, manage risk, and respond to market volatility without the immediate pressure or financial risk of live trading.

Trust and human-like interaction are other key factors for AI agents seeking broader adoption among traders. Agents that are capable of providing clear explanations of their trading decisions and adapting over time to a trader’s unique style could foster stronger relationships with users. Naja suggested that AI agents with distinct personalities, capable of nuanced and relatable interactions, could serve as trusted copilots rather than impersonal tools. He added, "Traders must have the right to refuse or approve the AI Agent’s calls," highlighting the importance of control and transparency in AI-assisted trading.

Moreover, the concept of making AI agents co-owned assets through mechanisms like tokenisation and collaborative learning models has been suggested as a potential future direction, one which could address liquidity challenges in crypto trading.

Despite the enthusiasm surrounding AI in trading, first-to-market solutions should be approached with caution. According to the analysis presented, many current AI applications remain “sterile chat interfaces” lacking the dynamic, educational, and emotional intelligence features necessary to make a lasting impact. Until such progress is made, these AI trading systems may serve more as “slick distractions” than true innovations.

The discussions from Consensus 2025 underscore the idea that AI’s role in crypto trading is best seen as complementary—designed to evolve and empower the trader rather than replace them. With the right approach focused on utility, education, and trader engagement, AI agents have the potential to unlock new levels of learning and profitability in this fast-moving market.

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

## Bibliography

1. <https://osl.com/academy/article/the-rise-of-ai-driven-cryptocurrencies-and-token-projects-in-2025> - This article discusses the growing integration of AI in the cryptocurrency space, highlighting the rise of AI-driven cryptocurrencies and token projects in 2025, aligning with the claim about AI and crypto convergence reshaping digital finance.
2. <https://www.ainvest.com/news/crypto-ai-convergence-venture-capital-playbook-2025-decentralized-future-2504/> - This source explains venture capital investment trends into decentralized AI initiatives and the fusion of AI with blockchain, supporting the claim about the increasing sophistication and strategic focus on AI-driven crypto solutions.
3. <https://www.onesafe.io/blog/revolutionizing-crypto-investments-ai-driven-strategies-2025> - This blog post describes how AI-powered platforms like Web3AI are being used for crypto investments, emphasizing real-time data, predictive analytics, and automated trading strategies, which corroborates the article's points about current AI trading tools often being surface-level but evolving.
4. <https://blockchain.news/flashnews/ai-emerges-as-a-powerful-leverage-tool-in-cryptocurrency-trading-insights-from-miles-deutscher> - This article highlights AI's role as a leverage tool in crypto trading, enabling predictive analytics and automated decision-making, supporting the article's statement on AI aiding traders but also the need for deeper integration beyond basic AI models.
5. <https://www.nasdaq.com/articles/137-should-red-hot-artificial-intelligence-cryptocurrency-be-your-portfolio-2025> - This Nasdaq article discusses AI crypto tokens like Bittensor with strong market performance, reflecting the interest in AI-based crypto assets but also indicating how some AI projects gain hype, linking to critiques about overhyped AI trading tools.
6. <https://www.nasdaq.com/articles/why-ai-chatbots-fall-short-in-crypto-trading-todays-challenges-and-future-directions-2025> - An article detailing why many AI chatbots and 'GPT wrappers' fail to provide meaningful utility in crypto trading due to lack of transparency, emotional intelligence, and integration with real-time market complexities, directly supporting the critiques presented by the AI Summit speaker.
7. <https://www.coindesk.com/consensus-toronto-2025-coverage/2025/04/21/the-gpt-gold-rush-is-failing-crypto-traders> - Please view link - unable to able to access data