

# Alleged Bitcoin scam leaves millions missing

February 9 2015

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Investors in a Hong Kong-based Bitcoin trading company fear they have fallen victim to a scam after it closed down

Investors in a Hong Kong-based Bitcoin trading company fear they have fallen victim to a scam after it closed down, a lawmaker said Monday, adding losses could total HK\$3 billion (\$387 million).

Leung Yiu-chung said his office recently received reports from dozens of investors in Hong Kong who paid a total of HK\$40 million (\$5.16 million) into the scheme run online by MyCoin, but the total loss may be

vastly more.

"The number of cases is increasing. These two days I received calls about more than 30 cases. We estimate more than 3,000 people and HK\$3 billion are involved," he told AFP.

One investor said she spent HK\$1.3 million in swap options for the [virtual currency](#) last September.

She said salespersons had told her she would recoup her investment in four months and make around 200-300 percent profit in one year.

The cryptocurrency was created in 2009 by a computer algorithm designed by one or more anonymous people.

It has since become a form of e-money that offers a largely anonymous payment system and can be stored either virtually or on a user's hard drive.

But its development has been marred by concerns about links to [illegal activities](#) and a lack of oversight.

Tokyo-based MtGox, one of the longest-established Bitcoin exchanges, collapsed due to a suspected theft worth nearly half a billion dollars.

The value of a Bitcoin, which soared to over \$1,200 in 2013, was around \$285 in January.

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Citation: Alleged Bitcoin scam leaves millions missing (2015, February 9) retrieved 9 May 2024 from <https://phys.org/news/2015-02-alleged-bitcoin-scam-millions.html>

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