



Contact: Celia Kinney
Consumer Affairs Program Coordinator
Education and Outreach
Idaho Department of Finance
(208) 332-8067

NEWS RELEASE

FOR IMMEDIATE RELEASE

April 24, 2024

Financial Literacy Tip of the Week **Warning Signs for “Pig Butchering” Scams Targeting Idahoans**

Boise, Idaho... The Idaho Department of Finance (IDOF) is warning consumers against “Pig Butchering” scams that have recently targeted Idahoans. Pig butchering scams are unique because they are long-term schemes that combine elements of investment scams, romance/friendship scams, and cryptocurrency transactions to steal all the money an individual possesses or can access (i.e., persuading individuals to take out loans in addition to sending money from their bank accounts).

The term Pig Butchering originated in Asia and describes the “fattening up” of a victim by building a trusted relationship with them over time that ends with the victim being “butchered” for much, if not all of their life savings. A recent study highlights that over \$75 billion has been lost to Pig Butchering schemes globally over the last four years.¹ Idahoans are encouraged to be vigilant and to look for the following red flags pertaining to these scams:

- 🚩 Unsolicited contact from an individual via a messaging app (e.g., WhatsApp), text, social media, or dating app.
- 🚩 Online relationships that develop quickly with frequent personal messages throughout the day.
- 🚩 After establishing a relationship, an individual begins mentioning crypto and its profitability.
- 🚩 A new online friend mentions large purchases/vacations or reminds you of your personal struggles.
- 🚩 Within a few weeks an online friend discusses cryptocurrency trading or a trading platform.
- 🚩 You are asked to download a cryptocurrency trading or investment app by a new online friend.
- 🚩 An online friend offers to trade cryptocurrency with you to show you how it works.
- 🚩 A new online friend directs you to send money via a Crypto or Bitcoin ATM.
- 🚩 Barriers arise for withdrawing funds (e.g., tax bills or fees) or your new online friend applies pressure on you to invest more money with the threat of potential financial losses.

¹ Griffin, John M. and Mei, Kevin, How Do Crypto Flows Finance Slavery? The Economics of Pig Butchering (February 29, 2024). Available at SSRN: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4742235

“Investment schemes are the number one form of cybercrime and a major reason for that is Pig Butchering scams. It is important for Idahoans to maintain a healthy skepticism of relatively new acquaintances they meet online or via mobile devices that suggest or recommend investment opportunities,” said IDOF Securities Bureau Chief John Yaros.

“All investors must be aware of Pig Butchering scams and take the necessary steps to protect themselves. These are sophisticated scams that are significantly impacting Idahoans,” said IDOF Director Patti Perkins.

If you believe you are a victim or involved in a potential Pig Butchering scam it is important to report it immediately to the IDOF Securities Bureau, local police, and the FBI’s Internet Crimes Complaint Center (IC3) to increase the chances of a successful resolution. For more information on Pig Butchering and how you can protect yourself, tune into the tenth IDOF Insights podcast episode featuring IDOF Securities Bureau Chief John Yaros and Joe Saar from the blockchain analytics firm Chainalysis.

[Click here to listen to Episode 10 of Insights: Know the Warning Signs of a Pig Butchering Scam!](#)

Consumers can obtain information about financial firms, professionals, or products, as well as view more Department press releases and other information on the Internet at <http://finance.idaho.gov> or by contacting the Department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378.