

# CRYPTO CRIME DOWN IN 2021 THROUGH APRIL

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Losses from DeFi-related hacks already exceeded the \$129 million taken for the whole of 2020.  
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Losses from cryptocurrency theft, hacks and fraud fell sharply in the first four months of the year, but crime in the booming "decentralized finance" space hit an all-time high, a report from crypto intelligence company CipherTrace showed on Thursday.

DeFi applications are platforms that facilitate crypto-denominated lending outside traditional banking, using an open-source code with algorithms that set rates in real time based on supply and demand. Many DeFi applications are embedded in the ethereum blockchain.

Globally, crypto criminals ran away with \$432 million as of end-April, according to the CipherTrace report. About 56% of that, or \$240 million were DeFi-related, a record peak.

For the whole of 2020, losses in the crypto sector through fraud and crime were \$1.9 billion. In 2019, crypto crime losses hit a record \$4.5 billion.

Cryptocurrencies are once again in the spotlight with the surge in prices for the second-largest token, ethereum, and social media darling, dogecoin.

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The drop in crypto crime reflects some maturation in the industry, as infrastructure improved and companies and exchanges boosted security systems.

DeFi, however, is another story. The value locked - the total number of loans on DeFi platforms - was \$86 billion as of Wednesday, DeFi Pulse data showed, up roughly 650% from \$11 billion in October.

The surge in the industry's growth has attracted the bad actors and market participants said the rise in crime is likely to accelerate as DeFi expands further.

"As more money pours into the space from retail and institutional players, bad actors will seek to take advantage of the hype to draw people into scams and hackers will seek out projects that have launched without performing adequate security audits, exploiting loopholes encoded in the smart contracts," Dave Jevans, CipherTrace's chief executive officer, said in an emailed response to Reuters.

Also Read | [Just 270 crypto addresses laundered \\$1.3 bln in dirty funds last year, research shows](#)

Losses from DeFi-related hacks already exceeded the \$129 million taken for the whole of 2020. In 2019, there were no DeFi losses reported.

One of the major losses in the DeFi space was the \$80 million worth of funds stolen on April 19

from EasyFi Network, aDeFi project on the Polygon Network, the CipherTrace reportsaid. EasyFi reported that a hacker stole roughly \$80 million worth of funds from its wallet.

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Facebook's Oversight Board on Wednesday upheld the social media network's decision on January 7 to block the then-US President Donald Trump from its

The technology could be as much as 45% faster than the mainstream 7-nanometre chips in many of today's laptops and phones and up to 75% more power efficient, the company said.

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