

TRADING SECURITY BEST PRACTICES

Cryptocurrency trading offers incredible opportunities but also comes with significant risks.

Hacks, scams, and market manipulation can lead to devastating losses if proper security measures are not in place. Whether you're a beginner or a seasoned trader, prioritizing security over convenience is the key to protect-

1 Use Reputable Exchanges: Choosing a Safe Trading Platform



Not all crypto exchanges are trustworthy. Some have poor security measures, while others have been linked to fraud. When choosing a platform, research thoroughly and look for the following:

REGULATORY COMPLIANCE

Is the exchange registered or licensed in your country?

SECURITY MEASURES

Does it offer features like cold storage, encrypted transactions, and insurance?

TRACK RECORD

How long has the exchange been operating? Any history of hacks or shady activities?

USER REVIEWS

What do real traders say about their experience?



Exchanges with frequent downtime during market movements (a red flag).



New, unverified exchanges with no clear background.



Platforms with unrealistic profit promises (often Ponzi schemes).



Best Practice:

Stick to well-known, established exchanges with a strong security record.

2 Enable All Security Features: Lock Down Your Account



Even on a trusted exchange, your account security is your responsibility. Enable every available security feature to minimize risks.



Two-Factor Authentication (2FA): Always enable 2FA (Google Authenticator, Authy, or hardware keys). Avoid SMS 2FA when possible, as SIM swapping attacks are common.



Withdrawal Whitelist: Restrict withdrawals to pre-approved wallet addresses.



Email Confirmations: Ensure that withdrawals require email approval.



Anti-Phishing Code: Some exchanges allow you to set a custom security code in emails, helping you spot phishing attempts.



Best Practice:

Never share login credentials, even with exchange support. Legitimate support teams will NEVER ask for your password or private key.

3 Beware of Market Manipulation: Avoid Pump-and-Dump Traps



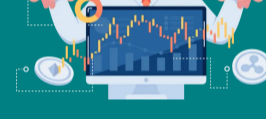
Market manipulation is common in crypto, especially in low-volume assets. Scammers create artificial price movements to trick traders.



Pump-and-Dump Schemes: Coordinated groups artificially inflate a coin's price, then sell off, leaving others with losses.

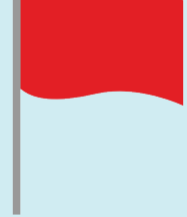


Spoofing & Wash Trading: Traders place fake orders to mislead investors.



Fake Volume: Some exchanges manipulate trade volume to appear more active than they are.

Red Flags:



Sudden, unexplained price spikes followed by quick crashes.



Anonymous groups promoting "guaranteed" profits.



Small-cap coins being hyped on Telegram, Twitter, or Discord.



Best Practice:

Do your own research before trading and be wary of hype-driven price movements.

4 Keep Your Assets Off Exchanges: Use Cold Storage for Safety



Exchanges are a prime target for hackers. Leaving large amounts of crypto in an exchange wallet is risky. If you don't control the keys, you don't control your funds.



Hot Wallets (Exchange Wallets): Convenient for trading but vulnerable to hacks.



Cold Storage (Hardware/Paper Wallets): Best for long-term holdings, as they remain offline.



Best Practice:

Keep only what you need for trading on exchanges and store the rest securely in a hardware or offline wallet.

5 Stay Informed: Knowledge is Your Best Defense



Crypto scams evolve constantly. The best way to stay protected is to keep learning and stay updated.



Follow Crypto News: Stay informed on exchange security breaches, regulatory updates, and scam alerts.



Verify Before Clicking: Always double-check URLs before entering sensitive information—phishing sites often look identical to real exchanges.



Be Skeptical of Too-Good-To-Be-True Offers: Scammers prey on greed. If it sounds too good to be true, it probably is.



Best Practice:

Keep only what you need for trading on exchanges and store the rest securely in a hardware or offline wallet.

Conclusion: Security Over Convenience

Trading crypto can be highly rewarding, but it comes with risks. Your security is in your hands—exchanges provide tools, but it's up to you to use them effectively.

Key Takeaway: Trade wisely, secure your funds, and never let greed outweigh security.