

PRESS RELEASE

Consob issues investor alert on finfluencers

Investors urged not to follow the “herd effect”

Clear rules on transparency and conflicts of interest must be respected

Consob has issued a public warning addressed to both retail investors and finfluencers.

In a dedicated notice released today, the financial markets regulator cautions retail investors who rely on finfluencers - individuals who offer stock market advice via social media and the internet - about the risks of making investment decisions that are rushed, superficial, or emotionally driven. These risks are heightened when investors follow herd behavior or mistakenly perceive finfluencers as providing services equivalent to those of authorised financial advisors.

Particular caution is urged when faced with offers that appear highly profitable and risk-free, or in the presence of potential conflicts of interest involving the finfluencers themselves. Consob reiterates one of the fundamental principles of investing: the risk-return tradeoff—higher returns are generally associated with higher risks.

At the same time, Consob reminds finfluencers that their activity must comply with the relevant European regulations, especially those related to investment recommendations and market abuse prevention. Finfluencers must respect rules on the accuracy of information and the transparency of any potential conflicts of interest.

Both [IOSCO](#) - the international body of securities regulators - and [ESMA](#), the European Securities and Markets Authority, have already addressed this issue with dedicated guidance.

This warning is part of a broader international initiative, the **Global Week of Action Against Unlawful Finfluencers**, involving regulators from the United Kingdom, Canada, Australia, the United Arab Emirates, Hong Kong, and Consob.

The initiative aims to raise public awareness - among both investors and finfluencers - about the potential risks associated with this form of online financial activity.

As part of its contribution, Consob is also releasing a [short video](#) that, starting from the concept of Ponzi schemes, warns the public about financial scams spreading online and across social media platforms.

