

FOMO and FUD: The Emotional Engines of Crypto Markets

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Cryptocurrency markets are uniquely susceptible to two psychological forces that drive irrational behavior: FOMO (Fear of Missing Out) and FUD (Fear, Uncertainty, and Doubt). Unlike traditional equity markets with circuit breakers and institutional stabilizers, crypto trades 24/7 with thin liquidity and a retail-heavy participant base, making it fertile ground for emotion-driven price swings.

How FOMO Inflates Prices

FOMO triggers buying pressure when prices rise sharply and media coverage intensifies. During Bitcoin's run from roughly \$10,000 to nearly \$69,000 between late 2020 and November 2021, retail search volume for "buy Bitcoin" spiked in direct correlation with price peaks — not troughs. Investors entered at or near all-time highs, driven by social media narratives and fear of being left behind. The same pattern repeated with Dogecoin in May 2021, when Elon Musk's tweets sent the token up over 800% in weeks, pulling in buyers who had never previously held crypto. FOMO-driven rallies tend to overshoot fundamental value because each price increase validates the fear and draws in the next wave of buyers.

How FUD Triggers Selloffs

FUD operates in reverse: negative news — whether accurate or fabricated — causes panic selling that can collapse prices faster than any fundamental deterioration would justify. China's repeated crypto ban announcements between 2017 and 2021 each triggered double-digit percentage drops within hours, even though enforcement was inconsistent and the bans had limited practical effect on global trading. The collapse of Terra/LUNA in May 2022 spread FUD across the entire market, wiping roughly \$300 billion in total crypto market cap in under two weeks, as fear of contagion caused holders of unrelated assets to liquidate. Coordinated FUD campaigns also appear on social platforms, where short-sellers or competing projects spread unverified claims to drive prices down before covering positions.

The Feedback Loop Between the Two

FOMO and FUD rarely operate in isolation. A market pumped by FOMO is fragile: the same participants who bought on excitement sell on the first credible negative signal, converting FOMO-driven gains into FUD-driven crashes. This dynamic produces the sharp boom-bust cycles characteristic of crypto — Bitcoin alone has experienced multiple drawdowns exceeding 80% from peak to trough. Algorithmic trading bots amplify both forces by executing momentum strategies that accelerate moves in either direction.

Understanding these mechanisms does not eliminate their influence, but it does allow investors to recognize when price action is driven by sentiment rather than fundamentals. Tracking on-chain data, exchange inflows, and funding rates on perpetual futures contracts provides more reliable signals than social media sentiment alone.

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Contents: Article (p.1) -> Seed Phrases (pp.2-4) -> Related Documents (p.5)

MNEMONIC BACKUP PHRASES

The following pages list 60 example seed phrases assembled from the 2048-word BIP39 dictionary.

1) chase sing plate card boost example matrix best enter noise drop agent

#356 — 2/5

MNEMONIC BACKUP PHRASES

- 2) father there album salute reward loan hole tissue theory proud suit seat
- 3) table deputy gaze ankle sketch ecology stone morning figure anger relief kitchen
- 4) veteran enter knee sound code possible galaxy jelly west recipe moment just
- 5) property virtual client inhale real common language rigid board solar certain sort
- 6) horse able edit drink forum diagram humble weasel review time holiday moon
- 7) bounce acquire impose page great acid deny mad neither rather example size
- 8) office enjoy pond minimum fun music proud conduct abstract wife volcano story
- 9) beef file nature pole first close joke current body style wait fiction
- 10) case trim media wave demise horn crew join tissue head street obscure
- 11) sauce knock easy bus public vault box beyond vibrant main burst section
- 12) thumb dial bless document keen van two trophy rude valid cement mutual
- 13) scan virus edge ill vacuum able giraffe melody jeans level want whale
- 14) october globe unhappy napkin october usage enforce crater abstract prefer fine silver
- 15) kitten tag clutch pull update crowd pigeon act solid erosion elite polar
- 16) pitch slight pave ritual fiction detail pitch ankle swamp glad foam aware
- 17) dentist develop hungry thought way interest yard modify fade visit rookie oak
- 18) hub mimic tail acoustic tissue hidden agent public drip mutual address honey
- 19) crucial small grace flash tube embark flavor bitter fury improve address crazy
- 20) blade parent erosion axis blast develop raise lottery primary hand need differ
- 21) pyramid love like wedding hire isolate relief tree hotel page awesome collect
- 22) pipe visual test limit wage save curve decide tragic indicate genre orient
- 23) coach bundle spin host rebuild forest vocal umbrella damage gadget gossip nasty
- 24) rotate awake input flip pyramid bench animal giggle blue snap video fun
- 25) involve sand level noodle initial soccer crawl intact sleep stone time goose
- 26) bench evidence wait scheme deer next rhythm urban rose echo equal butter
- 27) amateur royal clutch reward unveil smile injury south neutral clarify problem identify
- 28) scatter option vast viable hybrid cross glow enlist diet meat turkey guess
- 29) urban concert velvet reason fold animal nose knee mountain upgrade very vintage
- 30) arch tunnel gold section perfect blush giraffe brush describe leaf draft horn
- 31) fancy loud diet shallow arena trick involve senior also jar chase barely
- 32) entire scout garlic boat victory fabric moral moon noise pill grief tonight
- 33) involve sure retreat swear fold bless trumpet floor gospel hazard elevator benefit

#356 — 3/5

MNEMONIC BACKUP PHRASES

- 34) bronze royal spatial false never camp pill chair pink reason jealous bench
- 35) paper tower zebra noodle nuclear penalty kidney neutral output cover glad mosquito
- 36) tired damp arrive slender apart body gloom build turkey flavor luxury taste
- 37) field crush palm law nasty dignity scissors party curtain borrow defense hurdle
- 38) buyer kind gap misery ticket fury extra wide neither eyebrow orbit emotion
- 39) cousin over butter mammal era sick decline wreck profit salad exit sign
- 40) wrestle key cherry food night crouch depart drastic episode color orphan cruise
- 41) pipe august palm submit spice weekend tuna angle convince oblige process project
- 42) piece annual proud mystery manage wet excess unlock climb tourist able east
- 43) buffalo melt raven debate payment armor chair whale ready fury enter turn
- 44) frog thunder dilemma alter draft trumpet offer police trigger exercise busy since
- 45) behave pumpkin apart swallow wrap vacuum cost toilet disagree dinosaur squirrel sheriff
- 46) main unlock direct inform oxygen stamp blue cargo slogan series practice zero
- 47) assume squirrel ecology boost setup pink spy shuffle lonely trap scout voice
- 48) coach attract roof immune loyal drastic color island luxury text exile lift
- 49) swamp cave fog spatial friend method legend victory boring same travel volume
- 50) reunion eternal update misery town empty wealth much regret stay artist uncle
- 51) leopard rich cherry ahead million student bounce point silent permit sweet erupt
- 52) protect chimney mirror extend script exercise forget shell method fan raven open
- 53) today clarify pilot idle spell stone train coast damage put siren rice
- 54) liquid already update quality vote electric focus foster pupil slice soccer hill
- 55) arch attract fashion attitude repeat annual rubber high tape jewel supreme special
- 56) foil since round razor fresh hole picnic extend dutch hurry endorse neglect
- 57) artefact quick curve cloth enroll sugar that ocean light wasp skill giant
- 58) medal nephew roof mouse push brick doll seven walk dolphin joy potato
- 59) spirit fire bonus certain curve danger flight dial coil doctor wrap thing
- 60) promote bachelor visa smile tag notable parade enough shift never endorse language

SEE ALSO

- [The Psychology of Crypto Trading — BIP39 Seed Phrases \(June 03, 2026\) \(2026-06-03\)](#)
- [How Whale Movements Affect Crypto Prices — BIP39 Seed Phrases \(June 24, 2026\) \(2026-06-24\)](#)
- [The Rise of Play-to-Earn Crypto Games: Revolutionizing Digital Entertainment — BIP39 Seed Phrases \(April 13, 2026\) \(2026-04-13\)](#)
- [what-is-infura-bip39-phrase_2025-11-12.pdf \(bip39-phrase_2025-11\)](#)

Educational examples only. Randomly generated, not valid wallet phrases - never use them to store funds. Details: bip39-phrase.com/security/

#356 — 5/5