



Can we Predict the Future of Prediction Markets? Trends, Key Figures & Strategic Shifts

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LEVEL I PARTNERS



LEVEL II PARTNER



Two pillars of today's presentation



1. Prediction Markets vs. Sports Betting

First a question for you!

Can anyone clearly explain the difference between:

- Pari mutual betting (pools games) and fixed odds betting?
- Fixed odds betting and betting exchanges?

1. Pari mutuel betting

1. The betting operator makes a proposal to potential customers (Bet on the outcome of one or several events: sport, horses, etc.)

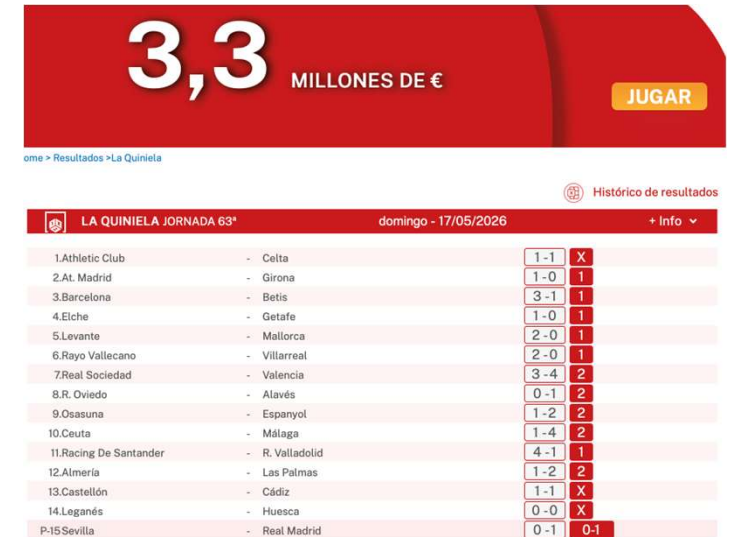
Example: Bet on the final outcome of 15 football matches (Three possibilities: Team 1 winning, Team 2 winning, Draw)

2. All the amounts staked are centralised into a “pool” (pot)

3. Part of the pool is distributed in prizes (e.g. 70%)

4. Prizes are shared equally among winners

Example: La Quiniella (LAE- Spain)



3,3 MILLONES DE € **JUGAR**

ome > Resultados > La Quiniella

Histórico de resultados

LA QUINIELLA JORNADA 63*		domingo - 17/05/2026		+ Info	
1. Athletic Club	- Celta	1-1	X		
2. At. Madrid	- Girona	1-0	1		
3. Barcelona	- Betis	3-1	1		
4. Elche	- Getafe	1-0	1		
5. Levante	- Mallorca	2-0	1		
6. Rayo Vallecano	- Villarreal	2-0	1		
7. Real Sociedad	- Valencia	3-4	2		
8. R. Oviedo	- Alavés	0-1	2		
9. Osasuna	- Espanyol	1-2	2		
10. Ceuta	- Málaga	1-4	2		
11. Racing De Santander	- R. Valladolid	4-1	1		
12. Almería	- Las Palmas	1-2	2		
13. Castellón	- Cádiz	1-1	X		
14. Leganés	- Huesca	0-0	X		
P-15 Sevilla	- Real Madrid	0-1	0-1		

- Bettor doesn't know in advance how much he can win
- Operator doesn't take any risk

2. Fixed odds betting

1. The betting operator (bookmaker) makes a proposal to potential customers (Bet on the outcome of one event: sport, horses, song context, etc.)

Example: Bet on the final outcome of 1 football game (Three possibilities: Team 1 winning, Team 2 winning, Draw)

2. He offers odds for each possible outcome (Team 1 winning, team 2 winning, Draw)

3. The customer places a stake on one possible outcome

4. If the customer is right, he wins : Winnings = Stake x Odds

Example: Oddset (Danske Spil)

Brasilien Marokko		Kampvinder	1 1,62	X 4,00	2 5,25
14 jun 00:00		Byg Væddemål	12 >		

Odds on the game Brasil – Morocco (World Cup)
Brazil wins: Odds = 1.62
Draw: Odds = 4
Morocco wins: Odds = 5.25

- Bettor knows in advance how much he can win
- Operator takes a risk (risk of counterpart)

3. Betting exchanges

1. The betting exchange operator offers an “exchange platform” where customers can lay (offer) or back (take) a bet

Example: Bet that ~~Italy~~ England will win the FIFA World Cup

2. When a customer **lays** a bet, he asks if someone would like to take his bet (e.g. bet 10 € on England with odds = 5). He plays the role of a betting operator or bookmaker. He hopes that England will not win the World Cup. In this example he has to place 40€ on the platform.

3. If someone **backs** (takes) this bet, he has to place 10 € on the platform. He hopes that England will win the World Cup.

4. The winner takes 50 € minus the betting exchange platform’s commission (generally between 1 and 5%)

Example: Betfair (UK)



Odds on the game Brasil – Morocco (World Cup) - BACK
Brazil wins: Odds = 1.64
Draw: Odds = 4.04
Morocco wins: Odds = 5.51

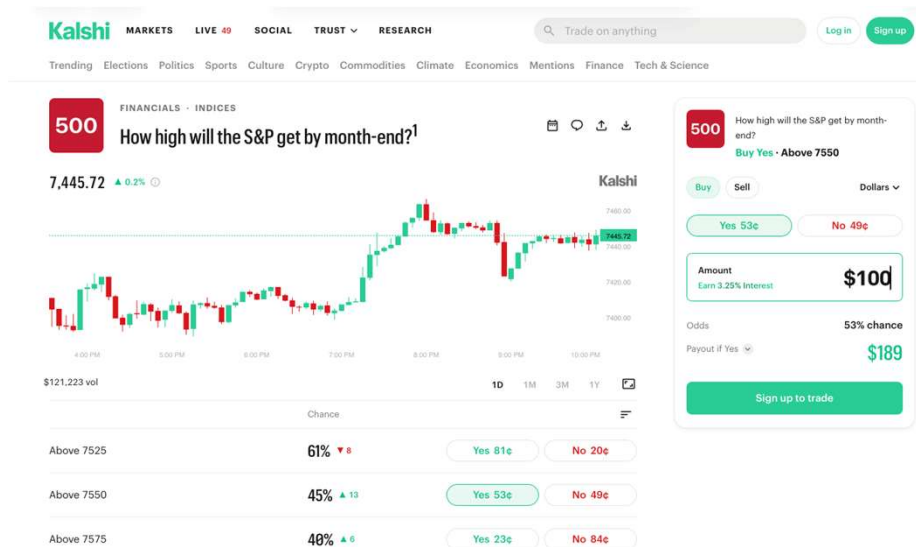
Odds on the game Brasil – Morocco (World Cup) - LAY
Brazil wins: Odds = 1.70
Draw: Odds = 4.60
Morocco wins: Odds = 8.20

- Bettor knows in advance how much he can win
- Operator doesn't take any risk

And now “Prediction Markets”?

Prediction markets are financial derivative markets designed to aggregate beliefs about future events

An example: If you think that the US Standard & Poor’s Index will exceed 7,550 US\$ before the end of the month, you can bet on “YES”

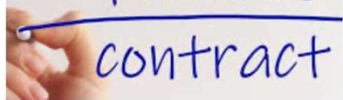


What are financial market derivative markets?



Option: A contract under which one party has the right to buy an asset from, or sell an asset to, another party on or before a future date at a specified price

Since the 2008 crisis, most derivatives must be cleared through a central counterpart



exchange rules and clearing procedures .

**SWAP
CONTRACT**

Swap: A contract under which two parties agree to exchange (or 'swap') at least two identified sets of cash flows on a future date.

Are all these markets “financial markets”?

News

(Donald Trump # Truth Social posts, Favors to be relaunched by JUUL - electronic cigarette, cost of a dozen eggs)

Politics

(Trump to visit China, Starmer out, # of tweets by Musk)

Crypto

(Bitcoin price, Ethereum up or down)

Sports & Esport

(Around 20 sports, 45 soccer competitions, 15 Esport competitions)

Iran

(Permanent peace, strait of Hormuz Traffic, Iranian demands)

Geopolitics

(China to invade Taiwan, Bill Clinton to divorce, Engagement Greece x Turkiye)

Tech

(Human moon landing, best AI model, Gemini 3.2 release)

Culture

(Eurovision, who will die in Euphoria season 3? Movie biggest opening weekend)

Economy

(Fed decision, largest company)

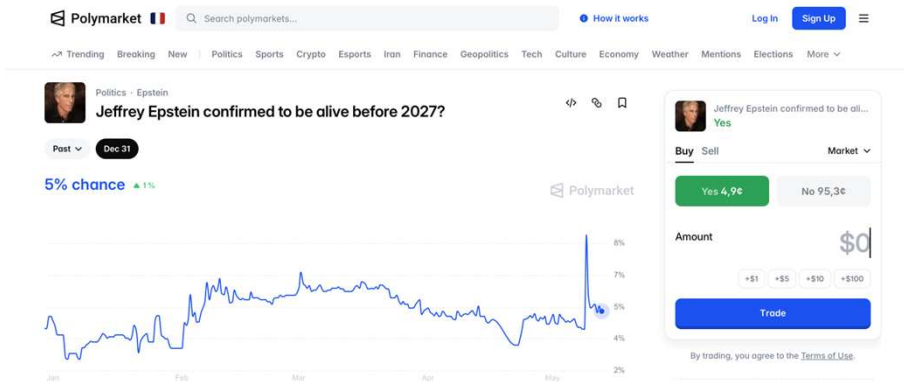
Weather

(Highest temperature, earthquakes, natural disasters)

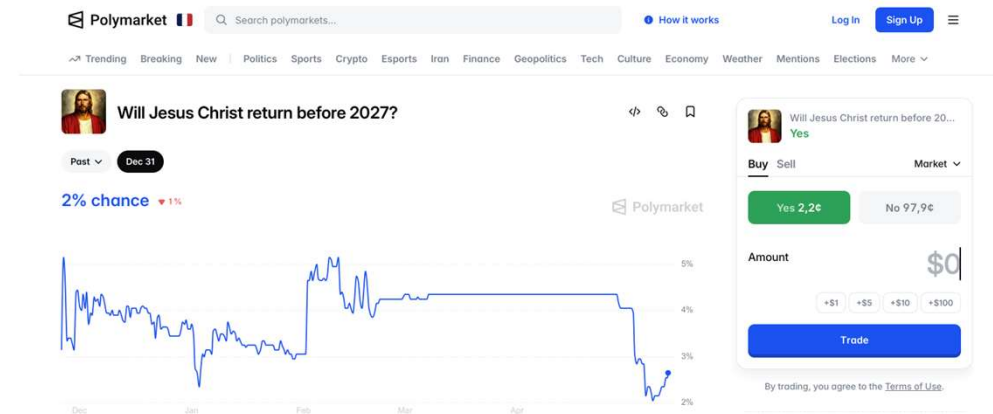
Mentions

(what will Trump / Mr. Beast (Youtube video) say?)

Even unlikely contracts meet customers!



If you think that Epstein is still alive (or not), you can bet



If you think that Jesus will return before 2027 (or not), you can bet

How do prediction markets work?

Blockchain prediction markets (e.g. Polymarket)

Centralised prediction markets (e.g. Kalshi)

Market prices (odds) reflect the aggregate belief of the market participants regarding the probability of an event occurring

- Prediction markets built on blockchain networks are decentralised prediction markets (markets can be created by anyone)
- Participants interact directly with the protocol using digital assets maintaining complete custody of their funds until a market resolves
- Various types of questions (Binary markets: Answer is YES or NO, scalar markets: Answer is a numerical range, categorical markets: Answer linked to a list of potential options)
- Blockchain prediction markets operate on a public ledger
- Counterpartys are ensured through automated market makers and liquidity pools (provided by liquidity providers)
- Price automatically and continuously adapts to the aggregate feeling of participants

- Centralised prediction platforms directly operate the platform and hold user funds.
- The operator plays an active role (market selection, conditions of participation, identity verification, clear regulation).
- Kalshi acts as an order-book exchange (users lay bids and asks, other users accept them, prices vary according to supply and demand). Many professional market makers use this markets (including traditional betting operators)
- In some cases, counterparty can be ensured by liquidity providers, like automated market makers.

Polymarket and Kalshi: What differences?

Blockchain prediction markets
(e.g. Polymarket)

 Polymarket

- **Model:** Users must trust the blockchain protocol
- Very difficult to monitor and control
- Many legal issues (even beyond regulation): e.g. Legal responsibility
- **Deposit options:** Trades are only using cryptocurrencies
- **Fees:** Very small taker fee (0.1% in the US), no maker fee, deposit / withdrawal fee. Looks much cheaper than Kalshi.

Centralised prediction markets
(e.g. Kalshi)



- **Model:** Users must trust the operator
- Better regulation and control of operators
- **Several deposit options:** FIAT money (regulated and centralised by a government), cryptocurrencies
- **Fees:** Are based on a % of the contract (generally 1% to 1.5%) with rebates for contract makers vs. takers + Deposit / Withdrawal fees

Betfair and Kalshi: What differences?

Betting exchanges
(e.g. Betfair)



Centralised prediction markets
(e.g. Kalshi)



- **No operational difference – No technical difference** (betting exchanges work like a centralised prediction market)
- **Strong legal difference** (Betfair is regulated by gambling regulators / Kalshi is regulated by the US Commodity Futures Trading commission)
- **Difference of presentation** (“Back” and “Lay” with Betfair, “Buy” and “Sell” with Kalshi)

Betting exchanges vs. Prediction markets: Legal difference is more than huge

Betting exchanges



Prediction markets



Betting exchanges vs. Prediction markets: Legal difference is more than huge

Betting exchanges



- Historically an innovation in the betting world (1998-2000)
- The UK Gambling Commission was the first to define betting exchanges **“as betting intermediaries that bring betting parties together without assuming liability for the bets”**
- Betting exchanges are only authorised in a limited number of countries: Australia, Denmark, Ireland, Isle of Man, Italy, Malta, Spain. Other countries prohibit them because they are thought to increase betting risks (sports manipulations, money laundering, addiction)
- Sports betting and betting exchanges are part of the gambling industry, a sensitive sector in which jurisdictions can set proportionate restrictions to defend the general interest, particularly against criminal groups.

Prediction markets



- Regulated for the first time by financial authorities (Commodity Future Trading Commission – USA) in November 2020
- The CFTC gives a precise definition of prediction markets: **“A multilateral system that brings together third parties with different interests in financial instruments, resulting in contracts being concluded for those instruments”**
- There are two types of prediction markets: **“Financial instruments or crypto-asset services”**.

Consequently, betting exchanges and prediction markets have different obligations

Betting exchanges



- Main goal of regulators is (in theory) consumers' protection
- "Strict" responsible gaming obligations
- Betting taxes
- Betting exchanges must segregate customer funds and disclose protection levels
- Obligations focusing on sports manipulations

Prediction markets



- Main goal of regulators (in theory) is market regulation
- No responsible gaming obligations
- No betting taxes
- Financial instruments have clearing obligations (use of central clearing house instead of relying on trust between two traders – Objective is to secure financial exchanges)
- Obligations focusing on market manipulations
- In theory, financial contracts should focus on general interest and be different from gambling
- Financial markets have (in theory) stricter AML obligations

Do prediction markets respect regulations?



- Legality of contracts (gambling, death events, possible manipulation of institutions, etc.)
- Reliable settlement source
- Anti-manipulation rules

At least for Polymarket, the answer is clearly “NO”

Who are the customers of prediction markets?

AI bots, arbitrageurs, market makers



Source: Cornell University (Fill-Side Non-Retail Trading on Polymarket: An Empirical Study of Behavioral Tiers and Microstructure Signatures Under Quote-Attribution Constraints – May 2026)

- According to several surveys, market makers, arbitrageurs (hedging bookmakers' positions) and other non-retail liquidity providers are the most important customers: Around 18% of customers could represent more than 93% of total volumes exchanged
- According to analytics platform LayerHub, more than 30% of wallets on Polymarket are already using AI agents (bots)
- Human traders, by contrast, achieve positive performance only 7% to 13% of the time on prediction markets,

Prediction markets are designed for “professionals” but create recreational addicts

- Sport represents between 85% and 90% of the total betting volume of US prediction markets
- Efficient Apps is a key of this new market
- “The percentage of people who become gambling addicts is three times higher for Gen Z than for the rest of the population”



**Santa Clara
Markkula Center**
for Applied Ethics

State lotteries are typically fair in the sense of equal information, and so are fairer than prediction and betting markets. That said, it is a good bet that state lotteries are not as effective at generating dopamine flows, especially for young men. Perhaps the most important ethical issue for prediction markets is regulating them to make them fairer in the sense of freedom from impulse.

Source: Santa Clara Markkula Center (May 2026)
<https://www.scu.edu/ethics-spotlight/the-ethics-of-prediction-markets/sports-betting-and-prediction-markets-will-produce-a-lot-of-losers/>

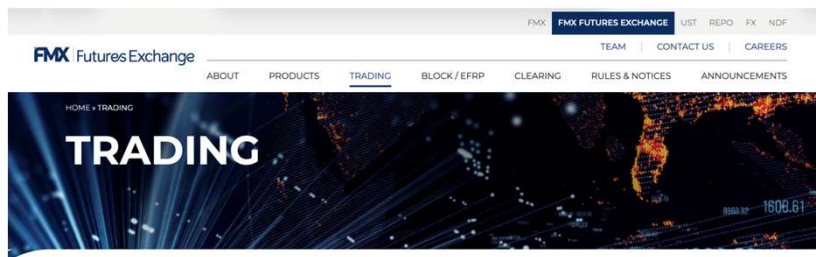
2. In which jurisdictions are prediction markets authorised?

USA: Kalshi and Polymarket have been licensed recently (2020 and 2025)



- In November 2020, Kalshi was the first prediction market exchange federally regulated by the Commodity Futures Trading Commission (as a Designated Contract Market – DCM)
- In 2023, the CFTC tried to prohibit some contracts on US elections pretending it was gambling but, in 2024, Kalshi won the court case
- In December 2024, Kalshi started offering contracts on sports events without a formal authorisation from CFTC
- Polymarket was originally prohibited by the CFTC but, in July 2025, received an agreement through a company that they acquired (QCX LLC)

Many authorisations are pending at the CFTC



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FMX combines the leading FMX UST, Repo and FX platforms with our new FMX Futures Exchange. FMX delivers an integrated trading solution, utilizing state-of-the-art trading technology and global infrastructure designed for speed and scalability. FMX Futures Exchange has partnered with LCH, a leading global clearing house holding the world's largest Interest Rate Swap clearing pool.

Together, FMX offers a fully electronic cash U.S. Treasury and futures platform while providing market participants significant clearing and cross margin efficiencies.

A “traditional” DCM operator:
FMX Futures Exchange

- **June 2026:** There are 25 designated companies with an authorisation awarded by the CFTC (Designated Contract Markets)
- 18 authorisations are pending, including an operator with sports betting licenses in the USA (Sporttrade)
- **List of registered entities:**
<https://www.cftc.gov/IndustryOversight/IndustryFilings/TradingOrganizations?page=1>

Source: Websites CFTC / FMX Future Exchange (May 2026)

Europe will be a key for prediction market regulations



- **USA:** Kalshi and Polymarket authorised by the CFTC. Other traditional bookmakers with a “IB” (Introducing Broker) licence
- **Gibraltar:** First European country to give a license to a prediction market operator (Predictstreet). It is a “betting intermediary licence” under the Gibraltar Gambling Act.
- **Malta:** Exploring how to regulate prediction markets
- **Australia, Denmark, Ireland, Italy, Malta, Spain, UK:** While countries that authorise betting exchanges may also authorise prediction markets, will they licence them? Will they consider these to be gambling or financial services?



- **June 2026:** Most countries ban prediction markets and blacklist prediction markets

Introducing broker: The latest development in prediction markets leads to a more complex situation



- Draftkings Prediction and Betr have already received a license as “**Introducing Brokers**” (IB). Under the US regulation of the CFTC, they cannot (in theory) directly offer prediction markets but can push customers towards prediction markets operators and market trading services.
- Other ones are about to follow the same way (Fanduel, Caesar’s Sportsbook, BetMGM)

FIFA: The first international organisation sponsored by a prediction market operator



ADI Predictstreet named official prediction market partner of the FIFA World Cup 2026™



Multiple court cases on prediction markets: A political issue in the US



NEVADA



MASSACHUSSETTS



NEW JERSEY



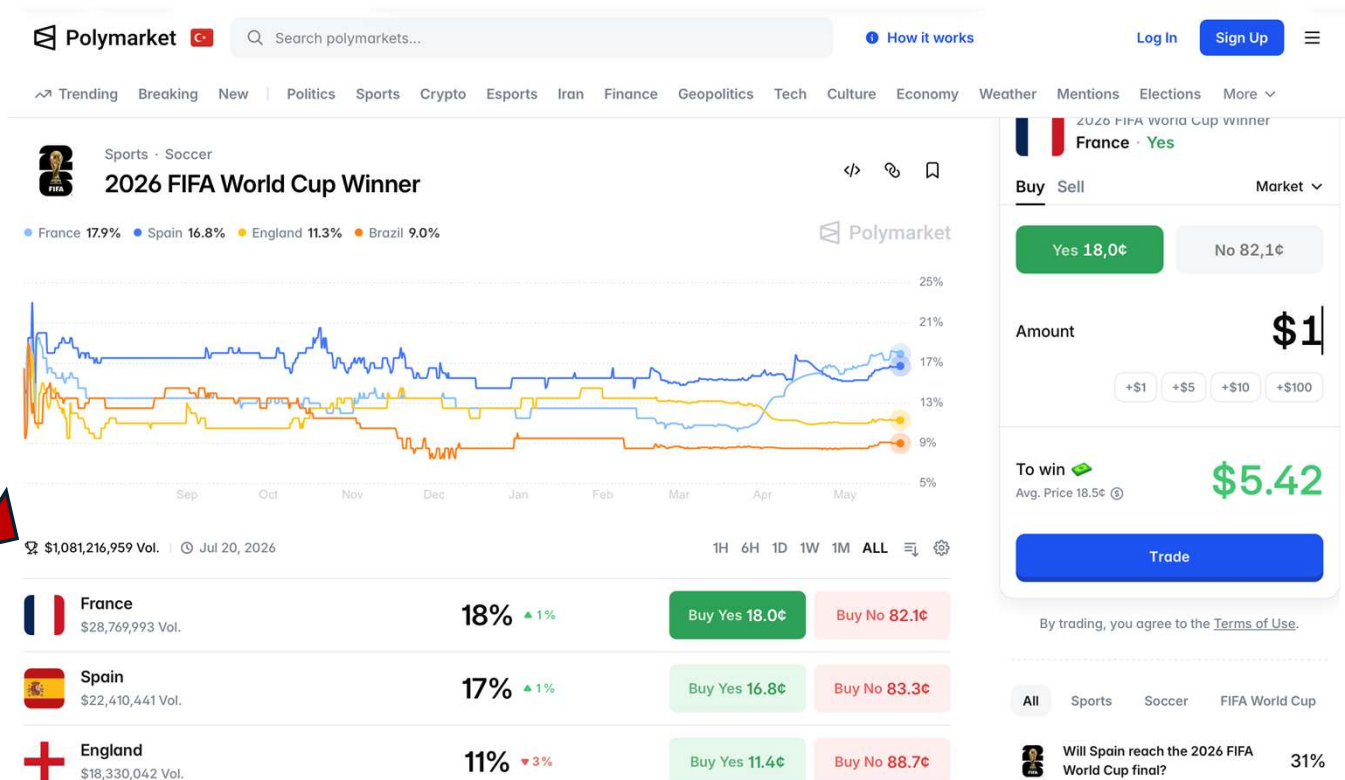
CALIFORNIA

FRANCE – HONGARY –
POLAND – PORTUGAL - SWITZERLAND

- Multiple cases currently before the courts are examining whether the contracts in question could be classified as gambling
- In Europe, an increasing number of countries is considering prediction markets as illegal (with ISP blocking)

3. Comparing prediction markets with betting exchanges and sportsbooks

When you “buy” a prediction market contract, you are effectively placing a bet on fixed odds.

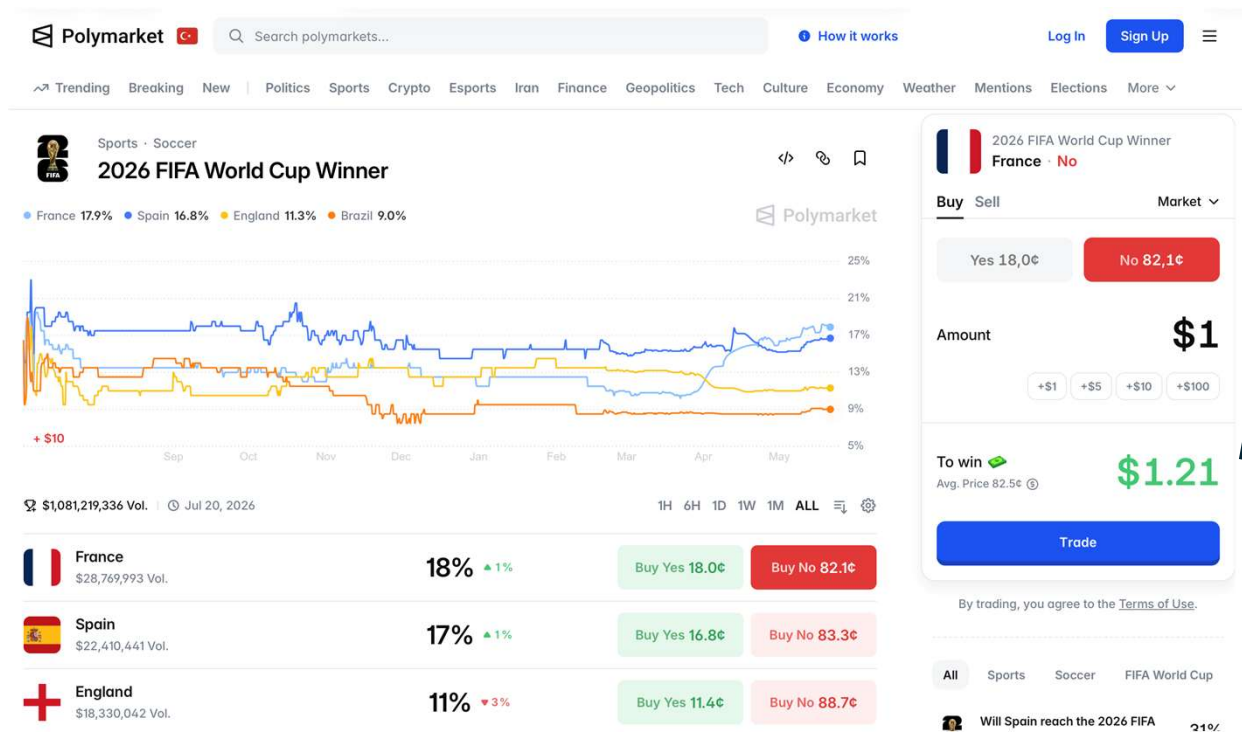


Volumes exchanged =
1.08 bn. US\$

Odds on France
to win the WC =
5.42

Source: Website Polymarket (21/05/2026)

Buying a prediction market is betting with a very high payout



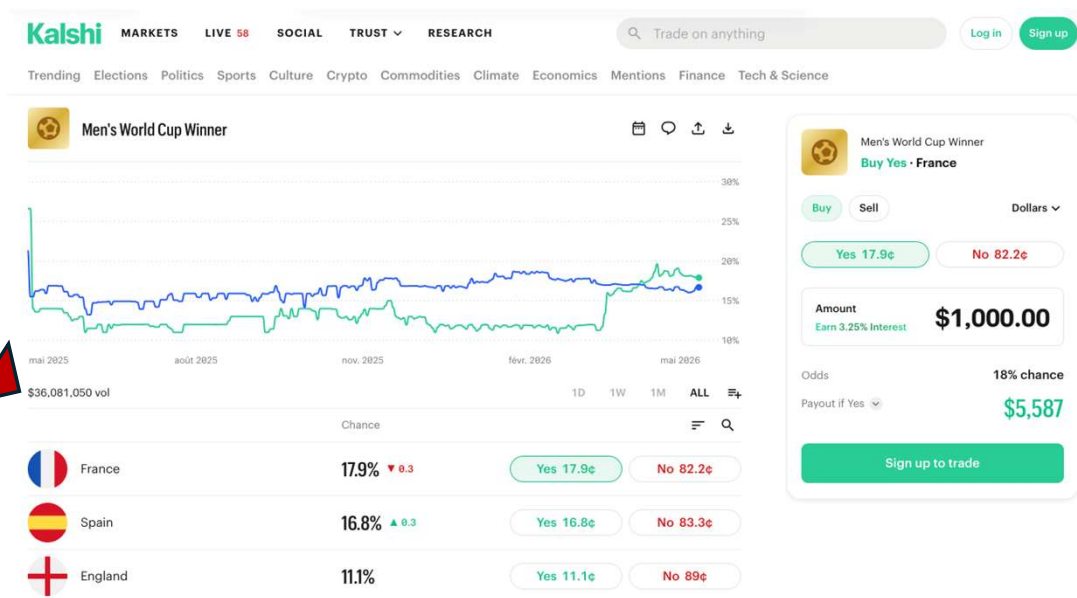
Source: Website Polymarket
(21/05/2026)

Odds on France NOT to win
the World Cup = 1.21

Equivalent Payout = 98.9%
(Margin = 1.1%)

At the same time, Kalshi is offering different contracts (which means odds)

Volumes exchanged =
36 m US\$
(30 x less vs. Polymarket)



Odds on France
to win the WC =
5.587

Source: Website Kalshi (22/05/2026)

Odds France to win 2026 World Cup = 5.587
Odds France NOT to win 2026 World Cup = 1.217
PAYOUT = 99.9% (Margin = 0.1%)

Prediction markets vs. EL / WLA / IBIA members

Sometimes, traditional sports betting operators offer better odds on France winning the World Cup. But they don't offer (except Betfair):

- odds on France not winning the WC;
- "Lay" (Sell) opportunities

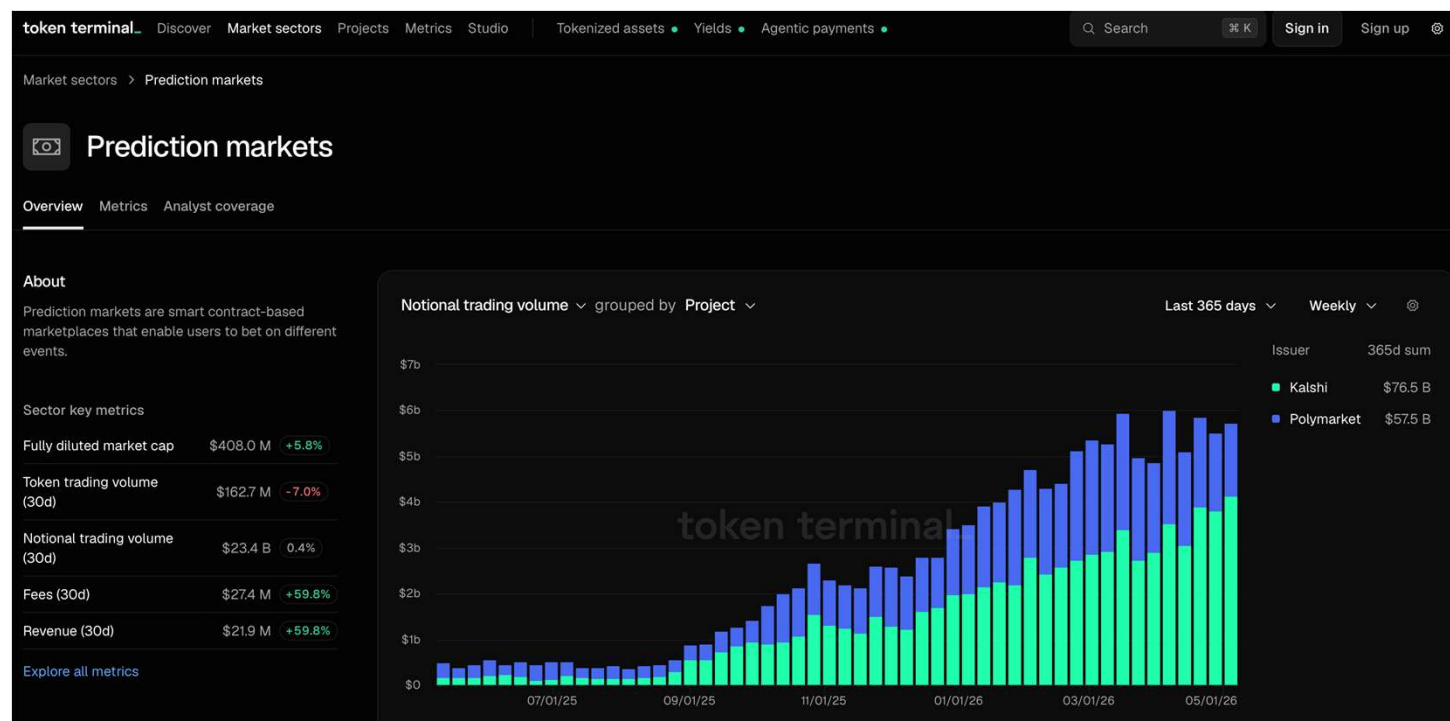
The screenshot shows the Oddschecker website interface. At the top, there's a navigation bar with categories like Horse Racing, Football, Golf, Tennis, and Boxing. Below this, there's a search bar and a 'Change Market' / 'Change Event' section. The main display area shows various betting offers and odds. A sidebar on the left allows filtering by 'Best Odds', 'Odds Shortening', and 'Odds Drifting'. The main display shows odds for France, Spain, and England across various betting markets and bookmakers.

Team	Market	Bookmaker	Odds
France	Win	bet365	6.0
		William Hill	5.5
		Unibet	6.0
Spain	Win	bet365	5.5
		William Hill	5.5
		Unibet	5.5
England	Win	bet365	7.0
		William Hill	7.0
		Unibet	7.0

Source: Oddschecker (22/05/2026)

Sizing prediction markets and comparing them with traditional sports betting operators

- Total volume traded on Polymarket and Kalshi (June 2025/ May 2026): 134 bn. US\$
- In order to compare the GGR of betting operators with that of prediction markets, it is necessary to:
 - (1) Convert trading volume into sales
 - (2) Estimate the average margin taken by prediction markets
 - (3) Estimate the proportion of sport. In many analyses, this is supposed to be close to 80%



Source: Token Terminal (May 2026)

2026: The prediction market is smaller than the Toto (Pools games) market

- **Estimation of sales:**

- Low hypothesis. Average odds = 2. Then sales = 50% of trading volume
- High hypothesis: Average odds = 1.7. Then sales = 60% of trading volume



- **Estimation of average margin taken by prediction markets** (taking in account that professional customers receive rebates and incentives) :

- Low Hypothesis: 1%
- High hypothesis: 2%

GGR prediction markets (2025 / 2026 – Worldwide):
Between 500 m€ and 1.2 bn€
1 bn€ seems to be a good approximation
(1% of total sports betting market)

At this stage, the main issue with prediction markets is legal, not market-related



From a market perspective, prediction markets are simply an extension of betting exchanges on a market perspective.

Nevertheless, their impact on society through the media is already considerable, and it is therefore appropriate to assess their future development.

- **Market Scenario #1:** Prediction markets are failing to attract any audience other than professionals on a long-term basis. Therefore, they simply compete with traditional betting exchanges

Market Scenario #2: Prediction markets are managing to break out of their original niche and are expanding thanks to the legal opportunities they offer

4. Prediction markets: A threat to society

Risk #1: Recreational customers are at high risk of becoming addicted



THE WALL STREET JOURNAL

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0.1% of accounts = 67% of profits
(Less than 1,000 customers)

Why Almost Everyone Loses—Except a Few Sharks—on Prediction Markets

A WSJ analysis shows a small number of accounts on Polymarket and Kalshi—often pros using data-driven algorithmic trading—take home most of the winnings

Aa 366 Listen (2 min)



Addiction
EXTREME RISK

Source: Wall Street Journal (May 2026)

Risk #2: Prediction markets provide opportunities for illegal betting and criminal activity

Prediction market platforms play a triple role in the expansion of illegal betting:

- Operators such as Polymarket offer bets to customers worldwide (outside the USA) without a licence.
- Prediction markets create new illegal opportunities in tax and gambling havens.
- By providing substantial hedging opportunities and opaque payment methods, they contribute to the growth of illegal betting operators and criminal organisations.

Bloomberg

Brazil Blocks Polymarket, Kalshi Over 'Illegal Betting'



Source: Bloomberg (22 April 2026)

FILE PHOTO: Kalshi logo appears in this illustration taken April 22, 2026. REUTERS/Dado Ruvic/Illustration/File Photo · Bloomberg · REUTERS / REUTERS

Risk #3: Prediction markets provide opportunities for insider trading

Last month, researchers at Harvard University estimated that [\\$US143 million in profits](#) on Polymarket may have come from users with insider knowledge — based on public blockchain data tracking bets on events ranging from Taylor Swift's engagement to last year's Nobel Peace Prize.

Source: New York Times (23 April 2026)

Insider trading
EXTREME RISK

The New York Times

Soldier Used Classified Information to Bet on Maduro's Ouster, U.S. Says

Federal prosecutors say that Sgt. Gannon Ken Van Dyke, who was involved in the operation to oust Nicolás Maduro from power in Venezuela, used the information to place bets on a prediction market.

Listen · 7:24 min

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Risk #4: Prediction markets speculate on negative events such as wars, weapons, death of individuals

Ethics
EXTREME RISK

Source: Polymarket (23 May 2026)



Politique · Atomique

Nuclear weapon detonation by...?

</> 🔗 📌

\$1,711,052 Vol. | 30 juin 2025

Polymarket

March 31

\$827,456 Vol.

No ❌

June 30

\$883,595 Vol.

No ❌

Graphique Résolution

0.1€

<1% chance ♥ 22%

Polymarket



Risk #5: Small liquidity prediction markets may influence public opinion

Political influence
EXTREME RISK

Source: Yale insights (October 2024)

YALE INSIGHTS

Idea from the Yale School of Management

Faculty Viewpoints

Don't Trust the Political Prediction Markets

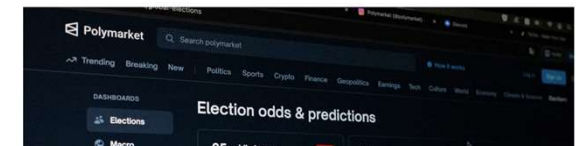
The ups and downs of prediction markets like Polymarket are frequently cited by political pundits. But Yale SOM's Jeffrey Sonnenfeld, co-author Steven Tian, and investor and former White House staffer Anthony Scaramucci write that the markets have extremely low trading volume—which makes it easy to manipulate them.



Atlantic Council INSIGHT EVENTS ACTV PODCASTS ISSUES REGIONS EXPERTS ABOUT DONATE

Weaponizing the odds: Prediction markets as a new vector for foreign influence

BY MATTHEW WEIN / February 17, 2026 / 1:09 p.m. ET



Risk #6: Many prediction contracts can be fixed by one single person

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France investigates suspected tampering with weather sensors after Polymarket bets

UPDATED APR 23, 2026 ▾

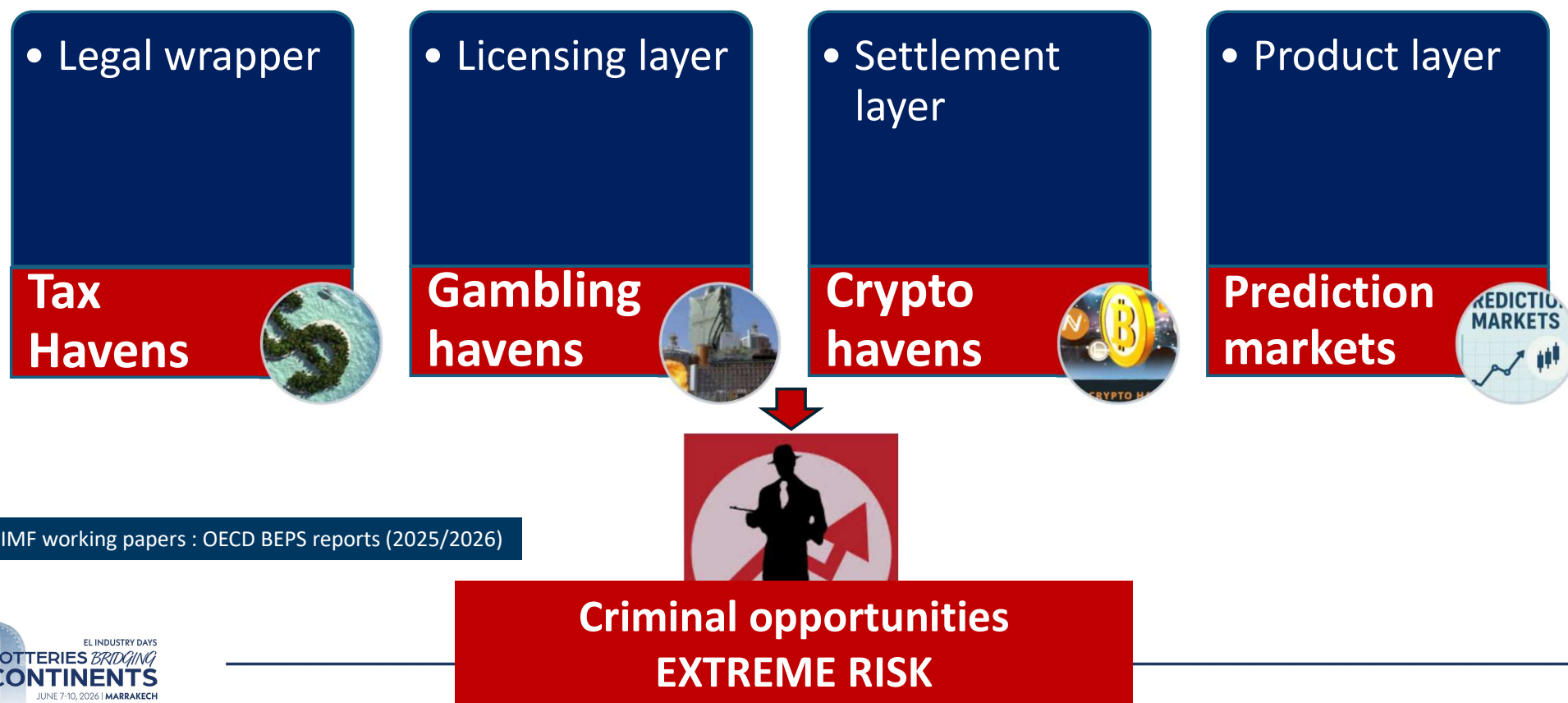
By Niamh Kennedy, Lisa Courbebaisse, Elina Baudier Kim



Source: CNN (23 April 2026)

**Manipulations
HIGH RISK**

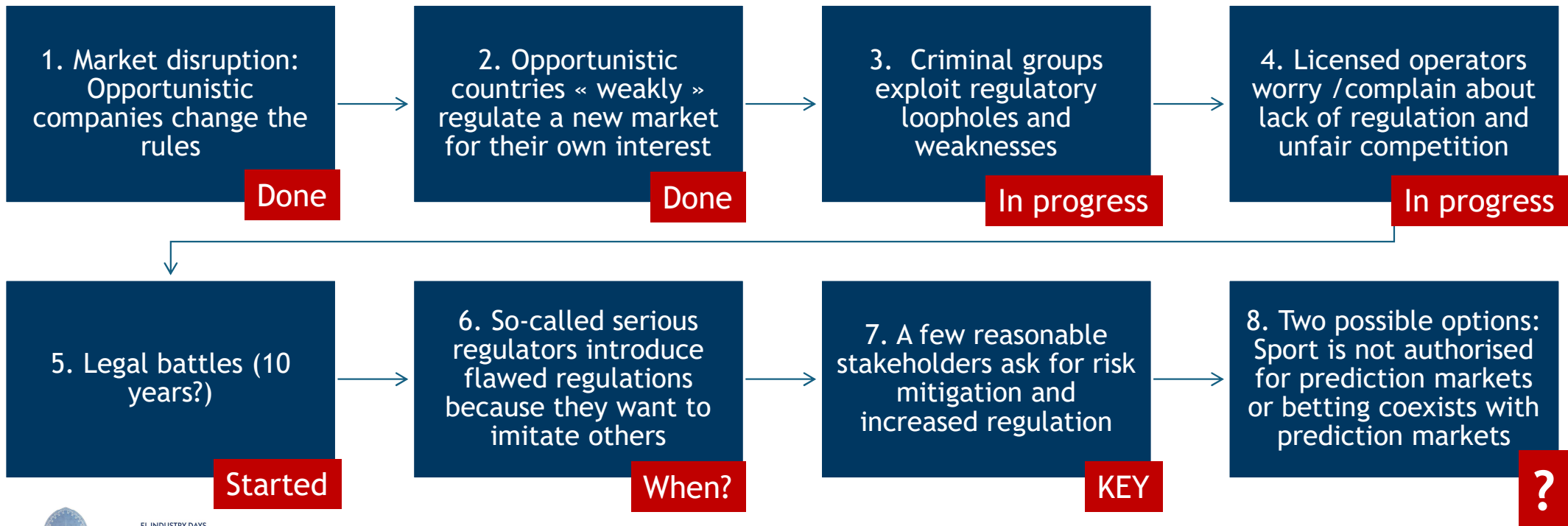
Risk #7: Prediction markets are a new stone in the criminals' garden



Source: IMF working papers : OECD BEPS reports (2025/2026)

5. Can we predict the future of prediction markets?

A classical way of the evolution of a disruptive market



However, It is still possible to take action regarding the previous slide

Risk: So-called serious regulators introduce flawed regulations because they want to imitate others

Opportunity: A few reasonable stakeholders ask for risk mitigation and increased regulation

Need to inform regulators using reliable and objective figures

Role to play for EL and WLA

Interesting to initiate a dialog between EL and European regulators on prediction markets and illegal gambling?

Let's learn from the past!

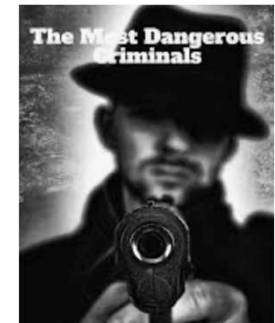
2000: EL / WLA worry because “online pirates” are disrupting the sports betting market by flouting the rules and increasing risks for society



2025: With the exception of those connected to criminal networks, most "Pirates" and EL/WLA members are difficult to distinguish.



2026: EL/WLA and “pirates” worry because prediction markets are disrupting the sports betting market. Will they react? How?



Possible strategies for EL



1. Closer links between EL members and regulatory authorities, as both are state-controlled entities driven by the public interest (which also means strengthening the historic Lotteries' DNA)
2. Establishment of a working group comprising key stakeholders to address betting-related risks, resulting in the publication of a white paper (links between prediction markets, illegal betting and criminal activity)
3. International action plan against illegal betting operators, developed in cooperation with the Macolin community and including the adoption of the Macolin classification of betting operators
4. Development of innovative and entertaining Apps able to attract the interest of new, reasonable customers in prediction markets

Let's predict the future of prediction markets

At least four possible scénarios :

- **Scenario #1:** Prediction markets become the new “betting exchanges”
- **Scenario #2:** Prediction markets create new legal opportunities without attracting new customers
- **Scenario #3:** Prediction markets become a very popular new gambling market
- **Scenario #4:** Prediction markets create both a revolution on a legal and commercial perspective



Scenario #1: Prediction markets to replace betting exchanges

- Prediction markets essentially attract professional gamblers, including arbitrageurs and illegal bookmakers.
- They compete with, and potentially replace, betting exchanges (but remain a small part of betting).
- Prediction markets are considered part of the 'gambling industry' rather than a 'financial derivative'.
- In the USA, Polymarket and Kalshi can no longer offer sports betting.
- In the rest of the world, prediction markets are regulated like traditional betting exchanges.



Scenario #2: Prediction markets create new legal gambling havens

- Prediction markets essentially attract professional gamblers, including arbitrageurs and illegal bookmakers.
- They compete with, and potentially replace, betting exchanges (but remain a small part of betting).
- Prediction markets on sport are regulated as 'financial derivatives' in several countries, including EU member state Malta.
- Therefore, many traditional betting operators apply for a 'prediction market' licence in a gambling haven and then offer illegal bets all over the EU and the rest of the world.
- Malta faces accusations of a conflict of loyalty, as with the golden passport scheme



Scenario #3: Prediction markets compete with bookmakers thereby creating a larger sports betting market

- Prediction markets attract new customers who prefer them to traditional bookmakers
- They compete with traditional fixed-odds betting, taking a significant market share.
- Prediction markets are considered part of the gambling industry.
- In the USA, Polymarket and Kalshi must apply for a gambling licence to offer sports betting contracts.
- In the rest of the world, including Malta, prediction markets are regulated like traditional betting companies (betting exchanges and fixed-odds betting).



Scenario #4: Prediction markets create a major disruption in the gambling world

- Prediction markets attract new customers who prefer them to traditional bookmakers
- They compete with traditional fixed-odds betting, taking a significant market share.
- Prediction markets on sport are regulated as 'financial derivatives' in several countries, including EU member state Malta. Malta faces accusations of a conflict of loyalty, as with the golden passport scheme.
- Therefore, many traditional betting operators apply for a 'prediction market' licence in a gambling haven.
- EL members are strongly affected.



What's your personal opinion?



Four keys to anticipating the most likely scenario



Thank you for your attention !

