BRIEFING · PREDICTION MARKETS

Gambling on Democracy

Briefing 1: The Midterms on Prediction Markets

The 2026 midterms are the first US congressional race since prediction markets became mainstream — and the volume and scale hides election integrity risks that cannot be ignored.

7,466
2026 CONGRESSIONAL MARKETS EXAMINED

3
PLATFORMS ANALYSED

10 August 2026
DATA CURRENT AS OF

$133M
BET ON 2026 CONGRESSIONAL RACES

460
OF 470 SEATS WITH ACTIVE TRADING

68%
OF TRADING VOLUME CONTROLLED BY 1% OF WALLETS

PUBLISHED
AUGUST 2026

AUTHORED BY
ANTI-CORRUPTION DATA COLLECTIVE

The 2026 midterms are the first US national election since prediction markets became mainstream. Larger volumes, much wider coverage of races and everpresent news coverage mean prediction markets are positioned to shape the 2026 cycle in ways they could not in 2024, when they were just a marginal presence outside of the presidential race. But the huge volume of betting overshadows election integrity risks that cannot be ignored.

ACDC examined **7,466** markets related to 2026 races for the House of Representatives and Senate in addition to **463** markets related to 2024 congressional races. Our analysis covered three platforms, Kalshi, Polymarket and Polymarket US, and is current as of August 10, 2026.

The total spent on prediction markets during the midterms is already massive at **$133M** and exceeds total 2024 levels. In addition, ACDC has found the three platforms have opened thousands of markets related to the midterm congressional elections — already **16 times** as many as in 2024.

And we should expect betting volume to only accelerate. In 2024, volume only picked up in the days before Election Day and during the count. At this point in the 2024 cycle, only **8%** of the eventual total volume had been bet. Two approaches estimate the 2026 grand total. Using the average volume per market from 2024 and applying it to the number of 2026 markets, we could see **$1.40B** traded on the 2026 midterms. Alternatively, taking **$133M** already bet and assuming it represents the same **8%** share of total volume, with betting accelerating ahead of elections, we could see **$1.60B** bet in 2026.

However, betting is concentrated in a few highly watched races and the vast majority of markets are still extremely thin. Opening markets without sufficient demand opens them up to manipulation: small bets can move odds, influencing media coverage, fundraising and potentially even voter behaviour.

Finally, election markets are now, and may remain, dominated by a handful of wallets. At present, with trading already past 2024's full-cycle totals, the top 1% of betters accounts for **68%** of the volume, and just 10 wallets account for **17%** of that total. These top 10 wallets are extremely active, making bets on **91%** of races. These individuals could in theory turn out to be super predictors. But, until the results are in, observers should treat prediction market prices with caution. A small pool of unknown bettors are gambling on American democracy. We don't have to take their odds.

01 — VOLUME

Volume has already hit 2024 election levels

$133M
BET ON 2026 CONGRESSIONAL RACES

$92M
BET ACROSS ALL OF 2024

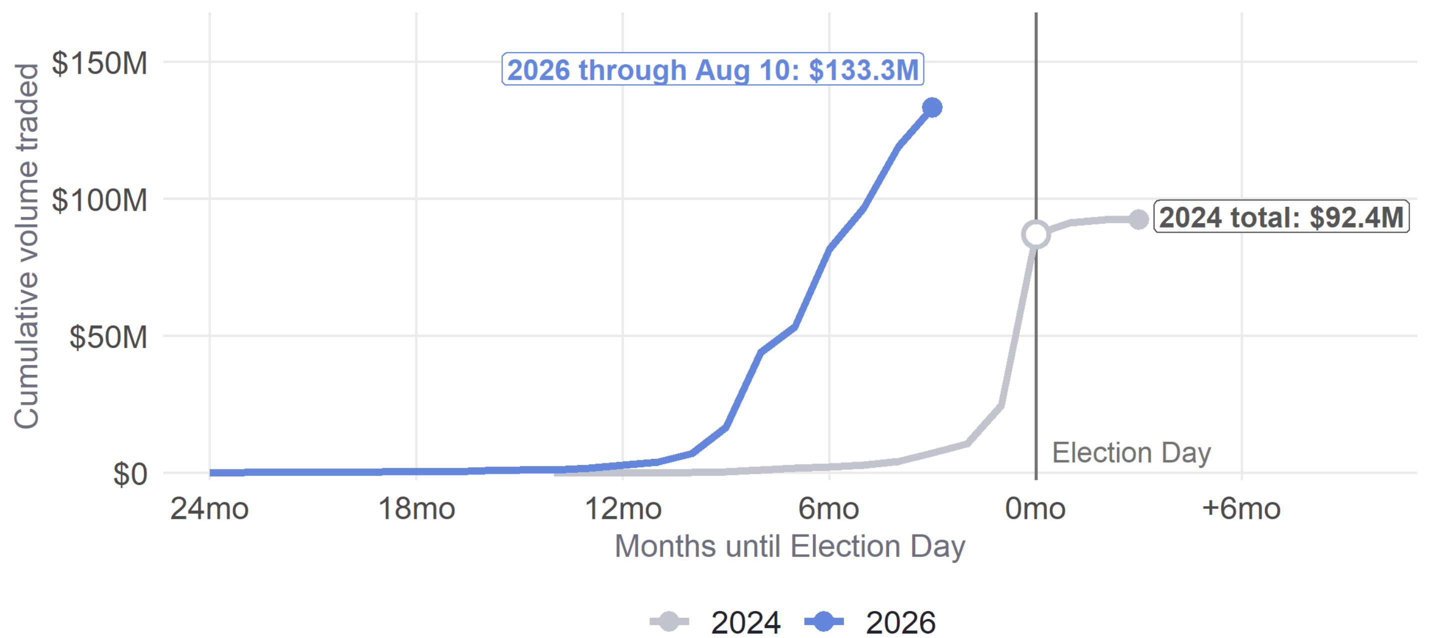
3
MONTHS STILL TO RUN

Across the three platforms analyzed, **$133M** has been bet on the 2026 congressional races so far, against **$92M** across the whole of the 2024 cycle, including **$5.3M** bet after Election Day as the count continued. Yet three months remain until the midterm elections. With the majority of the spending in 2024 done in the days leading up to the elections, total volumes in 2026 are expected to massively outdo overall 2024 spending come November.

FIGURE 1

2026 is outpacing 2024 in run-up to Election Day

Cumulative total volume traded each month across all markets and platforms related to congressional races | Trading continued after election day in 2024 before results settled markets

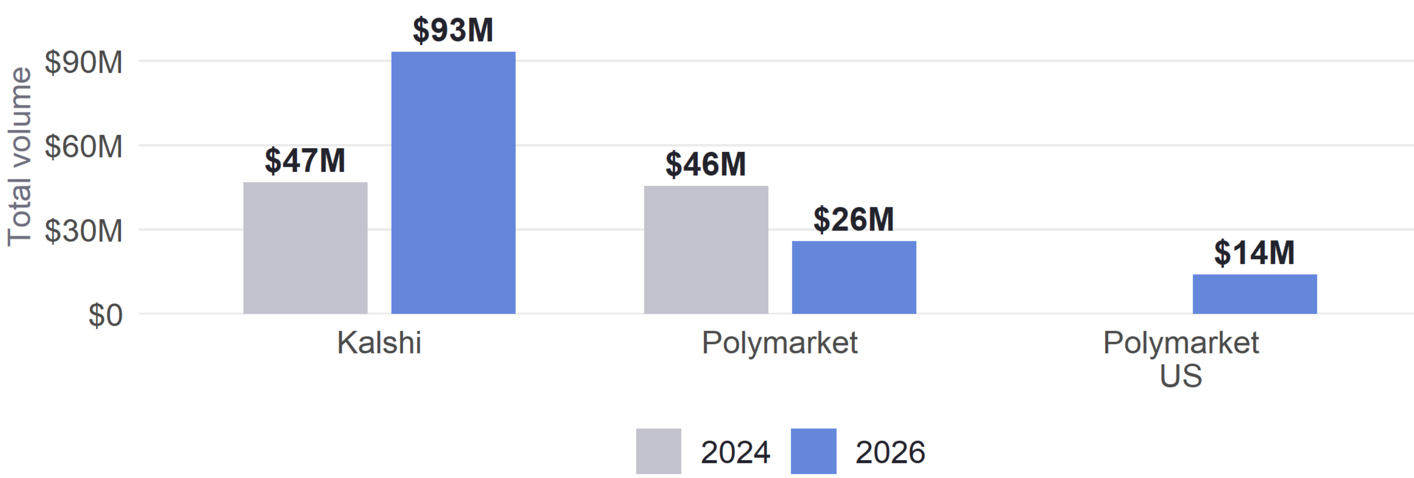


In 2024, betting volume was split almost evenly between Polymarket and Kalshi, but the two platforms have since diverged. Kalshi has nearly doubled its 2024 total, to **$93M**, while Polymarket has drawn just over half what it did last cycle. A second US-regulated platform built for US users specifically, Polymarket US, was launched ahead of the 2026 cycle, but has only attracted **15%** of Kalshi's volume.

FIGURE 2

Congressional betting volume by platform

Total bet across all markets related to congressional races, divided by each platform | Polymarket US not present for 2024 cycle



02 — MARKETS

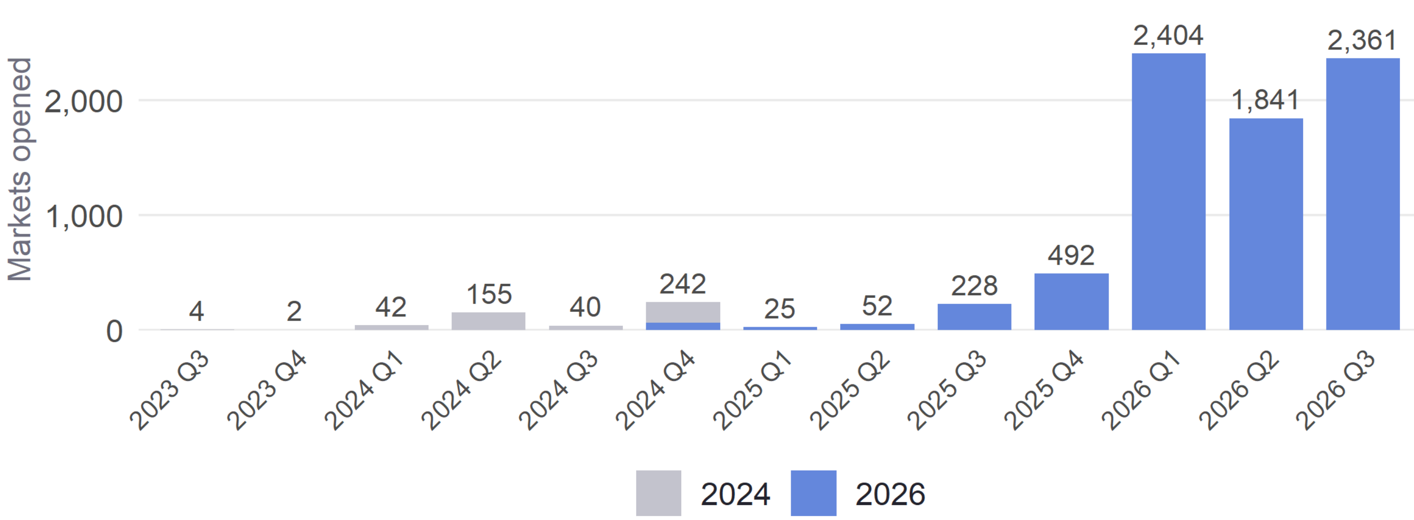
More detailed questions per contest

The number of markets has grown far faster than the volume of money bet. The 2026 cycle has **7,466** congressional markets against 2024's **463**, an almost **16-fold** expansion.

FIGURE 3

More markets opened for similar number of races

Markets opened across all platforms each quarter related to congressional races

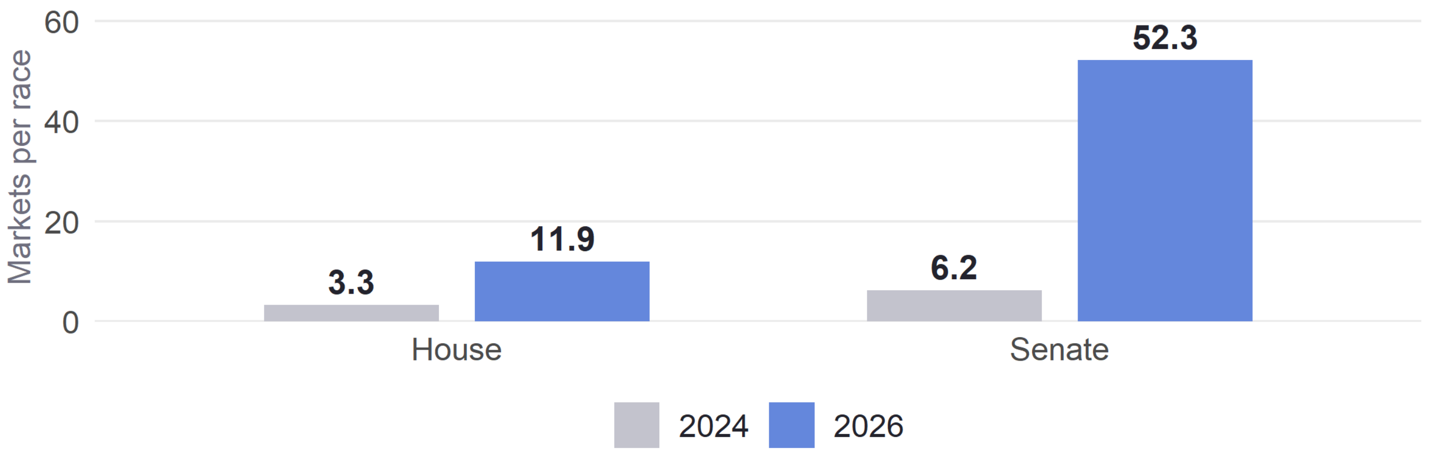


Not only are more congressional seats covered, but the number of markets per contest for a congressional seat have also increased, asking more detailed, precise questions about each race.

FIGURE 4

How many ways can you bet on one race?

Average markets per seat, counting only seats that actually saw betting

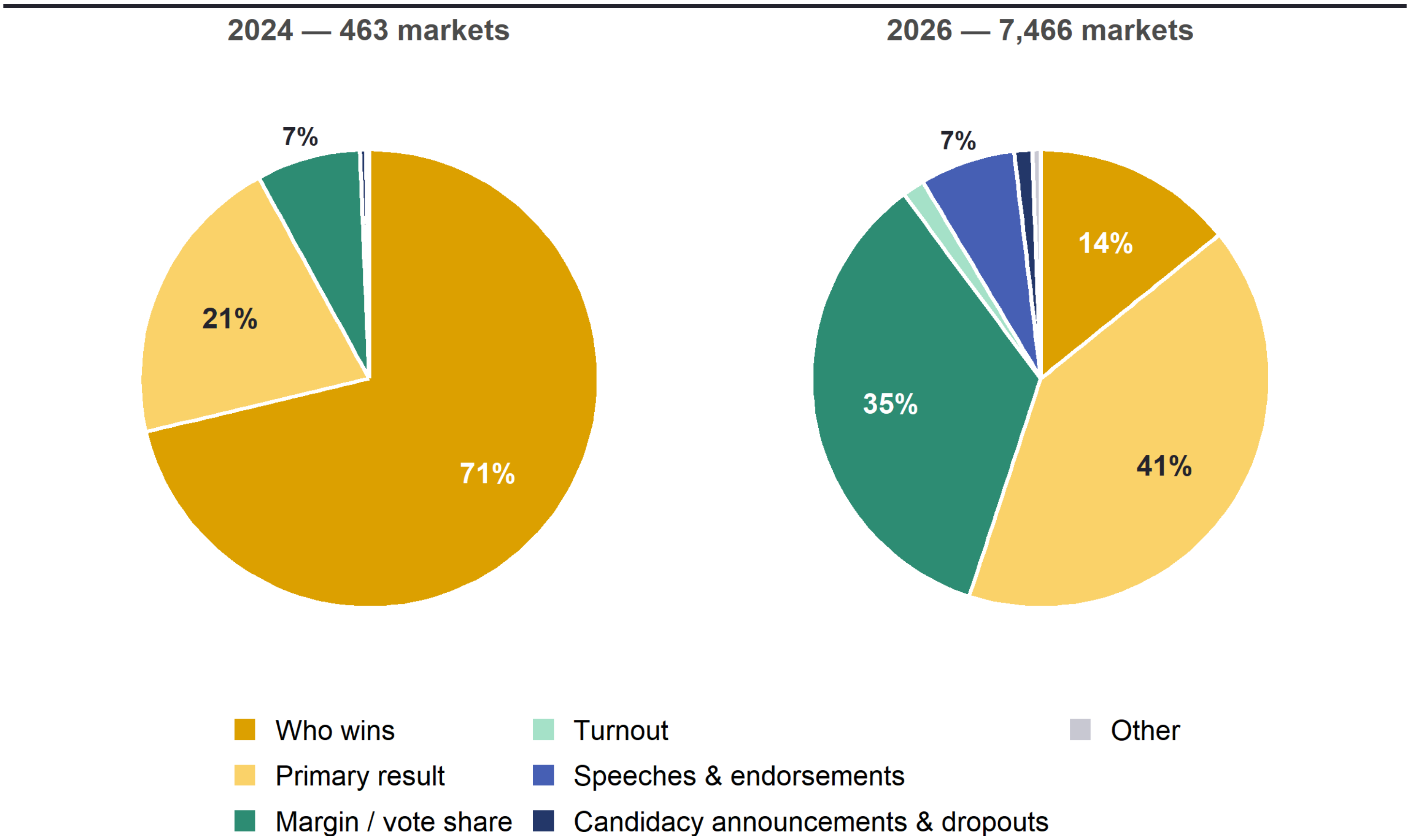


Races are no longer primarily limited to a single "who wins" market. Last cycle, **92%** of markets asked who would win a race, whether primary or general. This cycle, only **55%** do. The remainder cover turnout, margin of victory, endorsements, candidacy announcements and where candidates place in first-round primaries, with **46%** of races now carrying at least one market beyond the winner question.

FIGURE 5

What are all these markets asking?

Share of congressional markets by the subtopic for the market question, 2024 against 2026



03 — COVERAGE

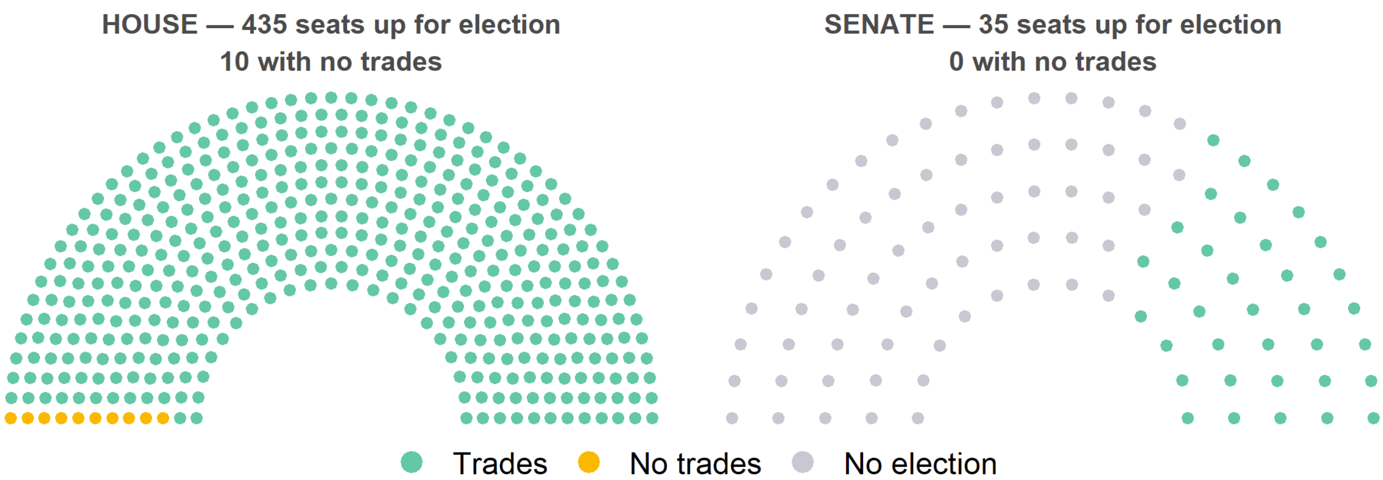
Almost every seat covered

Almost every Congressional race is represented with trades on one of the three platforms. Polymarket has the widest coverage. This is a substantial increase from 2024, when Kalshi offered markets on only **9%** of races and Polymarket covered **16%**.

FIGURE 6

How many seats on the ballot are traded on prediction markets?

Of the 470 congressional seats up in 2026, 460 (98%) have seen at least one dollar bet on at least one platform. The Senate elects a third of its seats each cycle, seats with no election this cycle in grey.



04 — TOP RACES

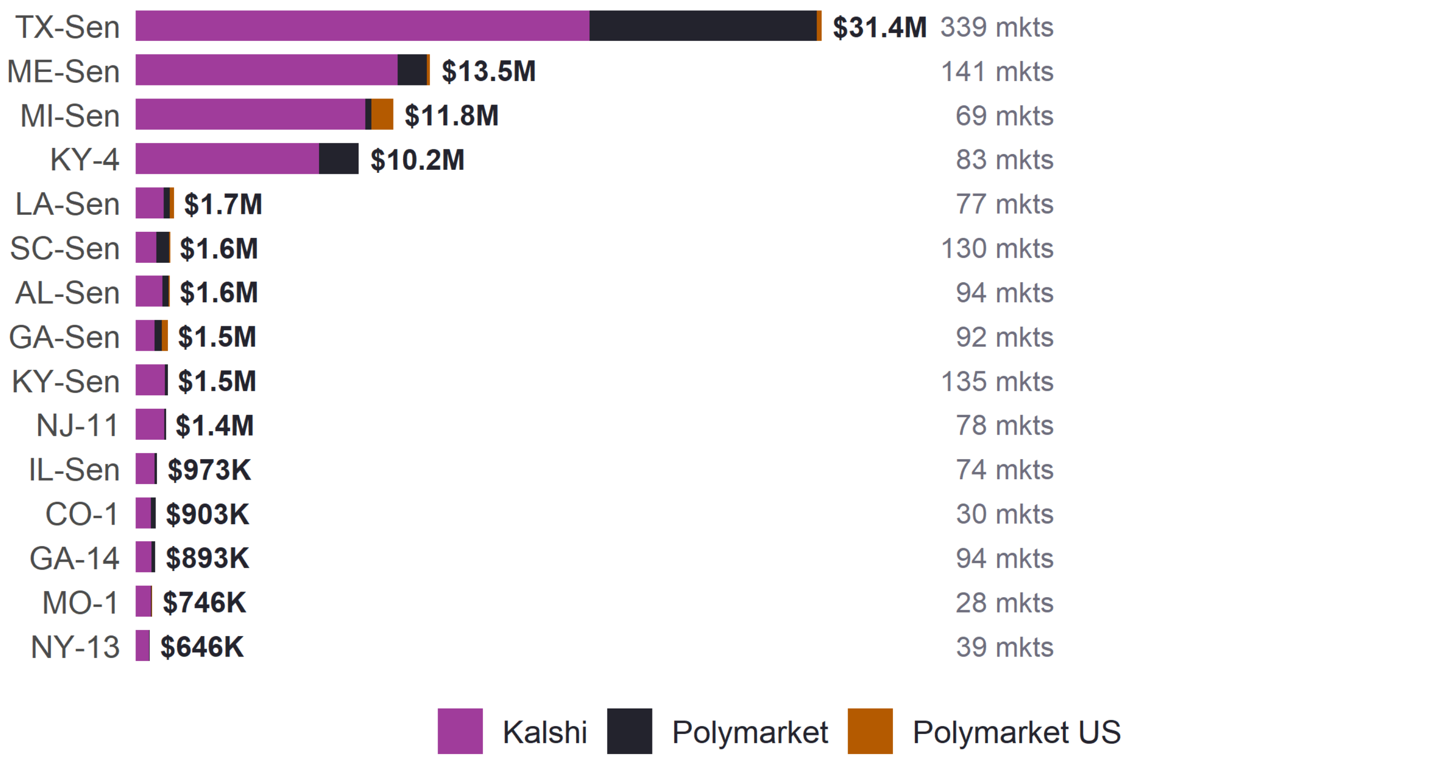
Millions spent on top races

Media attention and campaign donations align with the highest volume races. Expensive, closely watched races such as Texas, Maine and Michigan senate seats and Kentucky's 4th district see tens of millions bet, several times more than the next highest volume race. The top five states represent **74%** of the volume of bets in races by state.

FIGURE 7

Top 15 midterm races by volume

Total volume bet in every market related to each 2026 congressional race, divided by platform

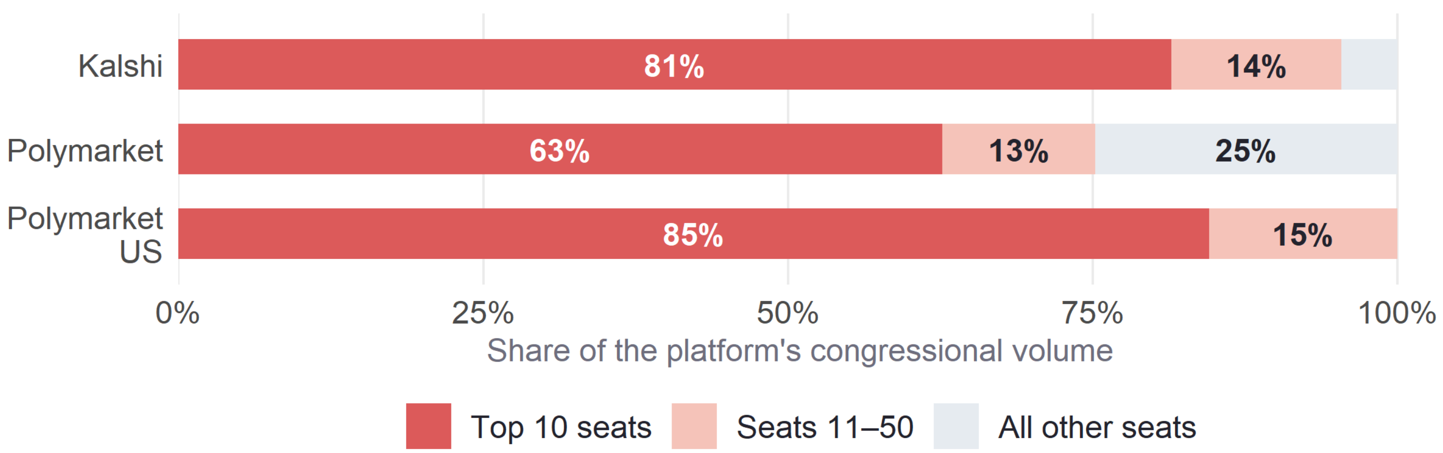


While offering a wide variety of markets, most bets are still placed in key races. For Kalshi, **95%** of volume is concentrated in just 50 races out of 470. For Polymarket, **75%** of its volume is in its top 50 races.

FIGURE 8

How concentrated are bets in key races?

Share of each platform's 2026 congressional volume held by its biggest seats



Most Polymarket markets involve very few bettors and are susceptible to manipulation

39,820

WALLETS BETTING ON POLYMARKET 2026 CONGRESSIONAL RACES

17%

OF THE VOLUME HELD BY JUST 10 WALLETS

80%

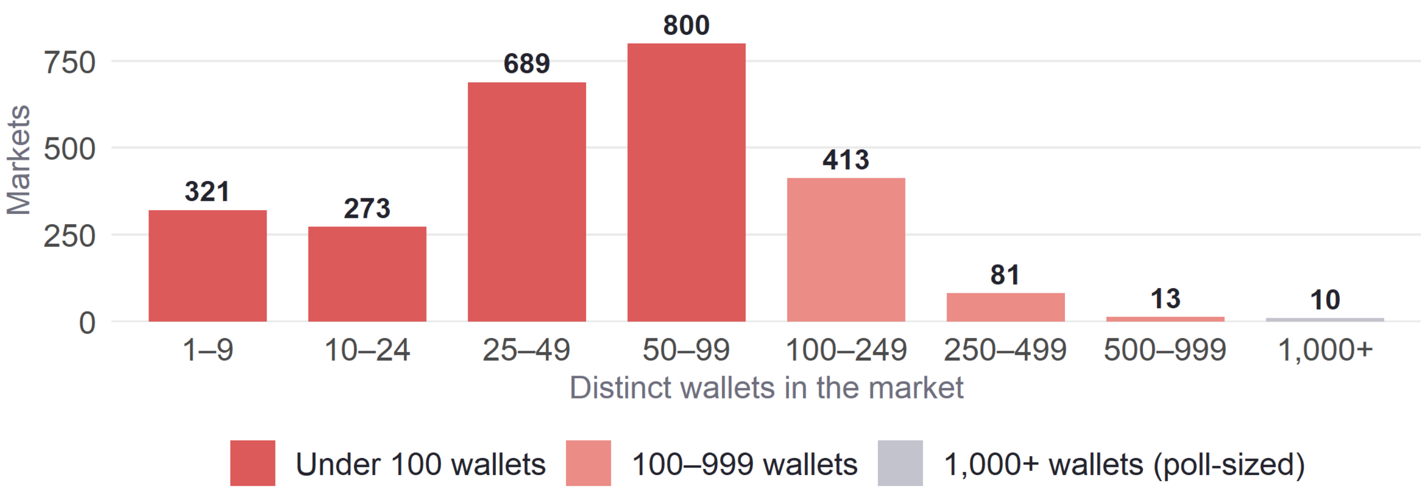
OF POLYMARKET MARKETS HAVE 100 OR FEWER WALLETS

Very few markets see large numbers of unique betters. In fact, on Polymarket there are only **39,820** wallets betting on congressional races in 2026.

FIGURE 9

How many wallets are represented in a market?

Distribution of total unique wallets in each market on Polymarket | 2,083 (80%) are represented by under 100 wallets

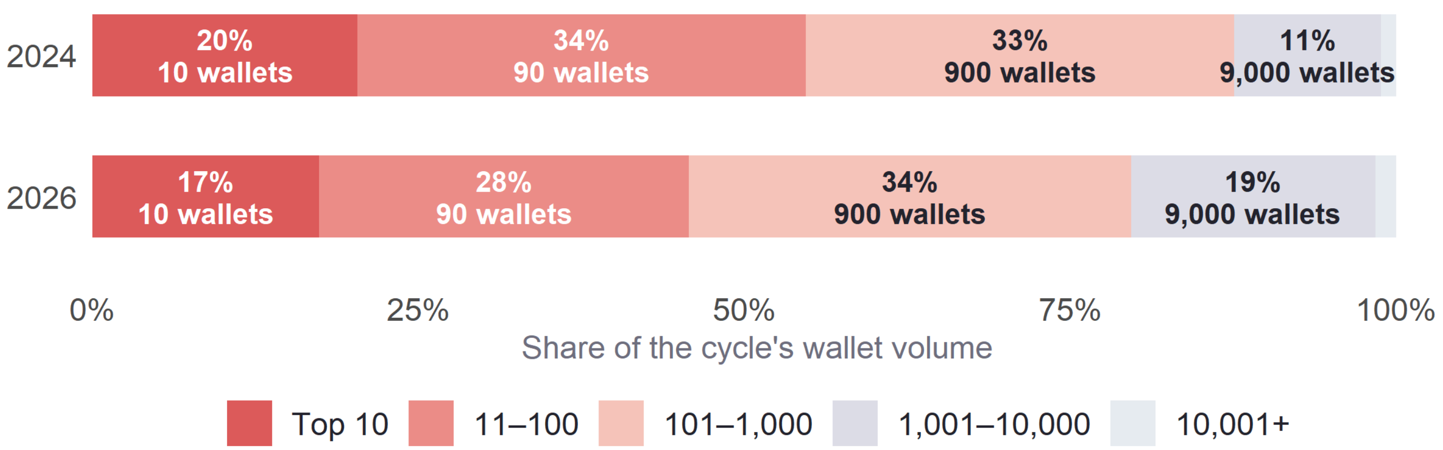


At least on Polymarket – where wallet data is available – the majority of the spending is done by only a handful of users. The top one per cent of wallets control **68%** of volume in 2026. In 2024, they controlled **83%**. But that was before prediction markets played such a prominent role in media coverage, public opinion, fundraising and — potentially — voter intentions. The bottom 50% spent **0.2%**. In fact, across Polymarket, just 10 wallets control **17%** of the volume in congressional markets in 2026.

FIGURE 10

How much volume is controlled by the top bettors?

Share of total volume bet on Polymarket attributed to each unique wallet, ranked by highest volume spent

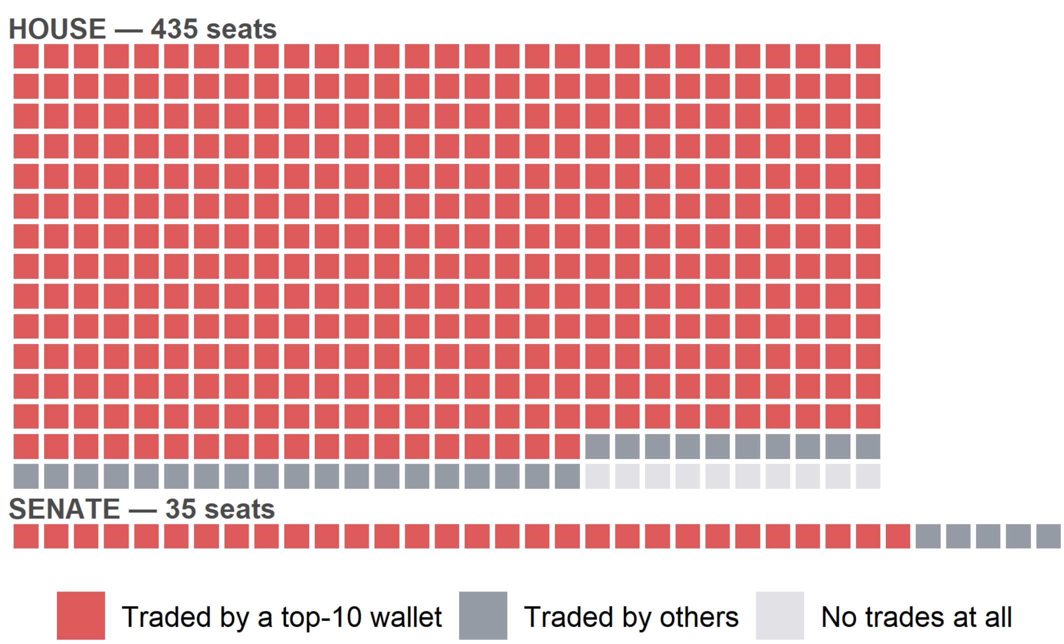


These top spenders are not only focused on key races, but spread their bets across multiple races. The top 10 wallets by volume placed bets in **426 out of 470** races. Whether super forecasters, financial whales or bots, their bets touch **91%** of seats.

FIGURE 11

How many seats are the ten biggest wallets betting on?

Every seat where at least one of the top 10 wallets placed a bet in at least one related market | Polymarket only

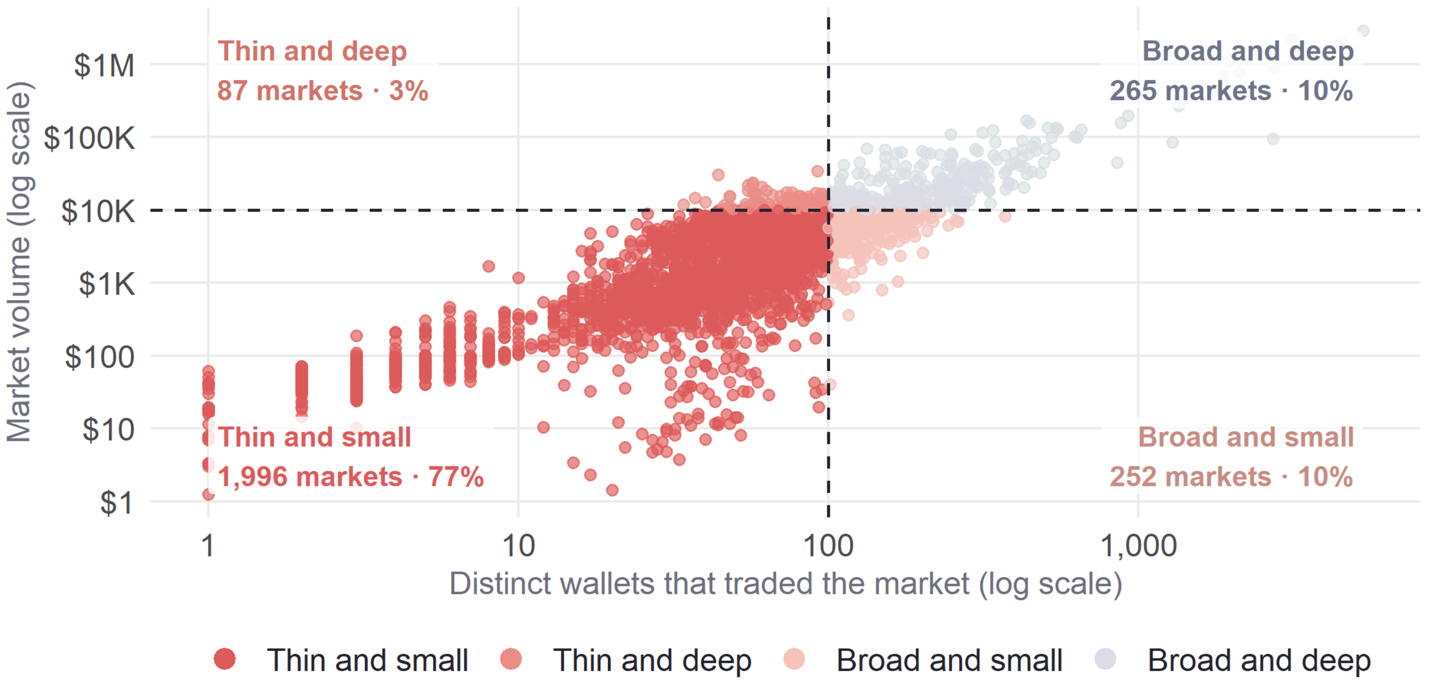


Even if the top wallets are betting across many markets, the betting volume remains concentrated in certain markets. Low volume markets can be easily manipulated with an influx of new bets changing odds dramatically. **87% of markets have a volume below $10,000, meaning a small influx of volume could change odds substantially. In fact, looking at markets with current order books, just $100 would move prices by 5 cents or more in 69% of sub-$10,000 markets.** Higher volume markets with only a few wallets betting are also not as representative as their volume suggests. **80%** of markets fall into one of these two categories.

FIGURE 12

Volume against wallets, market by market

The total volume bet against the total number of unique wallets that bet in each market on Polymarket, divided into quadrants of more or fewer than 100 wallets and more or less than $10,000 bet



06 — CONCLUSION

Conclusion

Prediction market platforms have laid the foundations for an enormous betting market on the 2026 congressional midterm elections. However, the betting volume is overwhelmingly directed into a few races, and a handful of wallets drive betting volume and therefore pricing. The majority of the thousands of open markets are currently extremely thin and small. Media outlets, researchers, analysts, campaigns and donors should exercise caution when interpreting prediction market pricing on electoral races.

Prediction markets may become more reliable and less susceptible to manipulation with an increase in users and betting volume as Election Day approaches. However, this is not guaranteed. As with any new technology with the potential to influence democratic processes, it is essential to separate fact from fiction.

ACDC will continue to update this analysis while diving deeper into manipulation and insider trading risks. Visit acdatacollective.org/work/gambling-on-democracy and sign up to our newsletter for the latest.

GAMBLING ON DEMOCRACY

Briefing 1: The Midterms on Prediction Markets

Scope. The 2026 and 2024 US congressional cycles on Kalshi, Polymarket and Polymarket US, current as of 10 August 2026. Figures 1, 2, 3 and 10 cover the whole cycle, chamber-control markets ("which party wins the House") included. Figures 6, 7 and 8 are indexed by seat and exclude chamber-control markets.

Volume convention. Polymarket reports volume counting both the maker and taker legs of a trade; Kalshi and Polymarket US report just the taker side. To keep the methodology consistent, ACDC used per-market trade data to calculate the taker volume for each market on every platform, rather than rely on reported totals. This does not always sum exactly to the platform's stated volume given it does not include some types of transactions, including minting. The difference between the methodologies impacts 2024 totals significantly more than 2026 totals, with 2026 totals more aligned regardless of methodology.

Wallets. Any figures at the wallet level are for Polymarket only and consider both maker and taker trades. Kalshi and Polymarket US are off-chain and do not have a public wallet identity that can be used to aggregate one wallet's trades. A wallet is not a person, as one trader can create more than one wallet.

Contact. team@acdatacollective.org · www.acdatacollective.org

Support. This research was supported by a grant from the John D. and Catherine T. MacArthur Foundation.