HOW GURUS MAKE MONEY (IT’S NOT TRADING)

Vajgrt Labs - Education - Lesson 6 of 72 - 6 min read - Updated Oct 21, 2026

TL;DR

- Guru income comes from the audience, not the market: courses, rooms, and upsells - which is why the marketing is the product.

- Regulators publish the pattern: guaranteed returns, rented lifestyles, P&L screenshots with no losses, urgency, and a "secret" method.

- The inversion test: if the edge were real and scalable, why is the income selling the course?

THE TAKEAWAYS

- The SEC / Investor.gov red flags: "guaranteed" high returns with little or no risk; unlicensed or unregistered sellers; fake testimonials; depictions of accounts skyrocketing.

- The FTC/CFTC pattern adds: urgency and scarcity, a secret or proprietary method, rented-lifestyle marketing, P&L screenshots without losses or account context, and price escalators - each tier unlocking what the last one promised.

- Enforcement is real: the FTC’s cases against trading educators (Warrior Trading, RagingBull, Online Trading Academy) were built on earnings claims and testimonials while, per the complaints, most customers lost money.

- This course’s own compliance with this lesson, stated plainly: it is free, it shows losses, it sells nothing, it promises nothing. Hold it to that.

RULE: Run the inversion test on every pitch, including this site’s: if the edge were real and scalable, why is the income selling the course?

COMMON MISTAKES

- Believing a lifestyle photo is evidence of trading skill. It’s evidence of a marketing budget.

- Reading testimonials as data. The FTC is explicit: a "results not typical" disclaimer does not cure an atypical testimonial.

- Assuming expensive means serious. Two of the most rigorous curricula in the research (Cboe’s Options Institute, Option Alpha’s) are free.

- Thinking you’re immune because you spotted the crude pitches. The pattern scales up in polish faster than in honesty.

DO IT - RUN A REAL PITCH

Find one real trading-course or guru pitch (your feed is full of them) and score it against the red-flag list: count the flags, run the inversion test, write the verdict in one sentence. Bring the sentence to Lesson 7 - it’s half of the Stage 0 gate.

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