

Don't be fooled by fake online trading stories

THE online trading arena has become the latest victim of fake news with “clickbait” stories of a “Camps Bay twenty-something living the high-life on his yacht” or “Cape Town man shocks Wall Street with secret system” or even how Trevor Noah made millions trading Binary Options. These stories can be found on the links of many reputable news portals.

Robyn Francis, marketing manager at Uprise Markets, a Johannesburg-based online CFD trading service provider, warns:

“There’s a surge of fabricated online trading stories circulating the web. Trading platforms seem to have turned to sponsored content and stories of overnight success via online trading in Forex, CFDs and mostly Binary Options to lure unsuspecting clients.

“Yes, there are success stories from online traders, those who have undergone proper training, have acquired the skills and take a long-term view, but expecting to become an overnight millionaire is certainly naïve.”

Francis provides a few things to consider when reading a news story:

- Don't assume that everything you read is news. The best tool we have is common sense. If it's too good to be true, chances are it's fake.
- Understand clickbait.

Clickbait is a term describing web content that is aimed at generating online advertising revenue, using sensational headlines at the expense of quality or accuracy by enticing the reader into clicking through to the story.

- Check the source of the story. Click through to the news article and check that the URL is a legitimate news portal.

Only buy into a story if you recognise the source. If the URL has a strange ending, don't count on it. Some of these sites use a URL that is quite believable, even resembling genuine news sites. Check out Wikipedia's list of fake news sites.

- Sponsored stories should be labelled as “sponsored”, “advertorial” or “partner content”.

These labels indicate the content has been paid for and is essentially an advertisement.

- If you are looking for a CFD trading platform look for one that is South African, is regulated by the Financial Services Board and has branches that you can visit to talk to someone face-to-face.

Facebook and Google have been obligated to withdraw fake news sites from their advertising algorithms.

We can also help by reporting fake news or news suspected as fake to Facebook or Google. If you are unsure about a post on Facebook, find the dropdown arrow in the top corner and click “report post”.

Google encourages users to alert them to fake news using their feedback button at the bottom of a page.

Make sure you find a legitimate online trading platform, complete an online trading course and pick up the phone. A real person in front of you or on the other end of the line is a lot more credible. — Business Editor.