

AI-Powered Fake Fortune Tellers Steal \$6 Million from Chinese Elderly



Scammers posing as feng shui masters swindled more than 1,400 victims across 18 provinces before July raid shut down operation.

Auntie Wang of China was 60 years old when she clicked on a free feng shui video in March. And it turned out to be a terrible mistake.

Within weeks, she had borrowed nearly \$4,000 from relatives to pay for a ritual she believed would save her daughter from a car accident that was never going to happen.

The car accident was fake. So was the feng shui master who warned her about it. And it was all powered by AI.

92 People Arrested – They Stole \$6.3 Million

Chinese police arrested 92 people after breaking up a fraud factory that combined ancient superstition with artificial intelligence to systematically rob elderly victims of their savings.

The operation, which ran like a legitimate company from an office floor in Nanjing, collected more than \$6.3 million in less than a year.

The Fraud Ring Started As A Result Of Failed Cosmetic Company

The scam started as a failing business. In early 2024, the Nanjing media company was losing money selling cosmetics through livestreams.

By November, they had pivoted to something more profitable. They sent employees to out-of-town training sessions to learn fraud techniques from other scammers.

The company kept its office. It just changed what it was selling.

How the Scam Worked

The operation ran in 3 stages, police said. Each tier had specific targets and scripts.

First Step – Free Videos On Feng Shui

First came the free videos. Scammers posted short clips about family health and children's futures on social media, topics designed to attract middle-aged and older viewers.

Auntie Wang watched five free feng shui classes which she loved.

It was at that time that the host encouraged her to pay \$550 for a "deep learning" course.

Second Step – Building Trust With A “Personal Mentor”

After victims paid, a scammer posing as a personal mentor would start daily conversations. They called themselves "supervising elder brothers" and sent caring messages while quietly extracting personal details.

Police found detailed files on each victim. The spreadsheets included ages, family situations, exact savings, income levels, and notes on what each person worried about most.

Third Step – Setting The Trap And Getting Money

Once the mentor had enough trust with the victim, the mentor would suddenly claim to see disaster ahead. For Aunty Wang, it was the warning about her daughter's car accident.

To prevent it, victims needed a higher-level master to perform rituals.

The price was steep. Wang paid nearly \$4,100 as a "disaster elimination fee." to prevent her daughter from getting into a traffic accident.

The Scammers Used AI To Become Feng Shui Experts

The scammers knew nothing about feng shui. They didn't need to.

When victims asked complicated questions, the fraudsters would quietly query AI software and use the generated answers. Police found pre-written dialogue templates, many created with AI to simulate authoritative-sounding mystical jargon.

One arrested scammer admitted they never believed in feng shui at all. They just submitted prompts and got answers.

Police also discovered the gang used AI to monitor and control their livestreams. Software would delete skeptical comments in real time and insert fake user accounts posting positive testimonials during live sessions.

The AI Scam Was Run Like Real Company

When police raided the fraud rings offices, they found more than 20 small livestream studios. Props included Taoist robes, feng shui compasses, and "immortal sage" costumes.

The operation had departments like a normal company. There was content production, sales teams at each tier, and a central control group monitoring chats.

They even had a compliance department. Its job was studying how to evade law enforcement.

Pay was tied to performance. Second-tier scammers, the ones pressuring victims for big payments, earned more than \$2,700 per month. Team leaders made over \$6,800.

Management set a target: for every 10 potential victims brought in, at least five should be successfully swindled.

The gang graded victims by wealth. Internal documents showed if someone was well-off, they would charge \$2,800 to \$4,100. Poorer victims paid around \$1,400.

How The AI Fraud Ring Got Busted

Auntie Wang's daughter realized something was wrong and called police. That report in April lifted the tip of the iceberg, authorities said.

Investigators spent months combing through more than 1 million phone records, thousands of social media accounts, and hundreds of hours of video. They traced \$6.3 million in payments that the fraud ring made as a result of the scam.

On July 23, more than 300 officers moved in across multiple provinces. They arrested all 92 suspects in one coordinated sweep.

Police seized 50 computers, 100 smartphones, 200 bank cards, and 800 gigabytes of video footage and chat records. They also took the costumes and props used to fool victims.

As of late now, 88 suspects have been formally charged with fraud.

Auntie Wang wasn't alone. Police identified more than 1,400 victims across China, many of them older women living alone or feeling distant from family.

A New Kind of AI Threat

Chinese authorities are warning families about a rising trend of AI-powered scams targeting seniors. The elderly often don't understand algorithmic feeds or artificial intelligence and assume videos that appear on their screens must be legitimate.

The combination of modern AI and ancient mysticism let scammers manipulate psychology with precision. It's what experts are calling "scams 2.0."