

# [***Donald Trump Rages as Truth Social Value Plummets***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BPX-7K51-JBR6-90KV-00000-00&context=1516831)

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**Length:** 731 words

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**Highlight:** Former president claims the company has "$200,000,000 in cash and zero debt," despite racking up $58.2 million in costs.

**Body**

Donald Trump has issued a fierce defense of his social media platform Truth Social after its value plummeted this week as [*new revelations emerged about mounting losses*](https://www.newsweek.com/donald-trump-truth-social-finances-1885869?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships).

Shares in Trump Media & Technology Group, whose primary asset is Truth Social, initially spiked when it debuted on the stock market last week under the ticket "DJT", closing its first day of trading 16 percent higher and giving the company a valuation of $11 billion.

However, shares tumbled 21 percent on Monday, closing at $48.66 and wiping billions off its value. Shares have since risen slightly to $48.81, when the stock market closed on Wednesday.

Writing on [*Truth Social on Thursday*](https://truthsocial.com/@realDonaldTrump/posts/112212592075307788), he said: "All of the competitors to TRUTH SOCIAL, especially those in the Radical Left [*Democrats*](https://www.newsweek.com/topic/democrats?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) Party who are failing at every level, like to use their vaunted 'disinformation machine' to try and convince people, and it is not easy to do, that TRUTH is not such a big deal and doesn't 'get the word out' as well as various others, which they know to be false."

His remarks follow a regulatory filing to the Securities and Exchange Commission (SEC) on Monday which revealed that the company, which Trump holds a nearly 60 percent stake in, [*made just over $4.1 million in revenue*](https://www.newsweek.com/mary-trump-truth-social-scam-fec-rules-foreign-support-donald-trump-1886211?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) in its last operating year, but racked up $58.2 million in costs. It revealed an operating loss of $15.96 million and around $40 million in interest.

BF Borgers of Colorado, an auditor for the company, said the losses "raise substantial doubt about its ability to continue as a going concern."

Despite the filings, Trump claimed that the company had "$200,000,000 in cash and zero debt," and said it was "very good for a start-up and growing fast."

Continuing his defense on Truth Social, he said: "I THINK TRUTH IS AMAZING! First of all, it is very solid, having over $200,000,000 in CASH and ZERO DEBT. More importantly, it is the primary way I get the word out and, for better or worse, people want to hear what I have to say, perhaps, according to experts, more than anyone else in the World."

He added: "Look, using TRUTH, I became the [*Republican*](https://www.newsweek.com/topic/republican?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) Nominee for President of the United States, and in record time! When I ENDORSE a politician on TRUTH, they almost ALWAYS WIN. If it didn't work, or properly get the word out, I wouldn't use it - But it does work, and work really well - And the fun is just getting started!!!"

Truth Social launched in February 2022 around a year after Trump was banned from X, formerly [*Twitter*](https://www.newsweek.com/topic/twitter?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships), and [*Facebook*](https://www.newsweek.com/topic/facebook?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) for posts about the Capitol riots. He has since been reinstated to the platforms but opts to use his own platform, alongside some 500,000 active users through iOS and Android platforms.

Todd Landman, professor of political science in the School of ***Politics*** and International Relations at the U.K.'s University of Nottingham, told *Newsweek* that Truth Social needs to gain more users to become successful.

He said: "The much-anticipated public offering of Truth Social created a buzz in financial markets with a large initial valuation, potentially yielding a large boost to Former President Trump's net worth. Trading of the DJT stock over the ensuing days showed an initial boost and then decline, which increased after the company filed its 8-K with the Security and Exchange Commission.

"The filing shows that the company had just over $4 million in revenue and $58 million in costs, leading many commentators to declare that the company profile is one of a 'meme stock', with the majority of shares owned by the former president.

"To put this into perspective, [*Amazon*](https://www.newsweek.com/topic/amazon?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) was founded in 1994 and did not show a profit until 2001, and since then has grown steadily with large growth rates and profits. Facebook was founded in 2004 (as TheFacebook) and did not make a profit until it substantially expanded its user base and diversified its business model, particularly opening up its Market Place and ad space.

"The potential success of Truth Social (and the DJT stock) thus rests on attracting a much larger volume of users and providing an attractive blend of content, functionality, and services."

In a statement on Tuesday, Trump Media & Technology Group CEO [*Devin Nunes*](https://www.newsweek.com/topic/devin-nunes?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships) said Truth Social "has no debt and over $200 million in the bank, opening numerous possibilities for expanding and enhancing our platform."

*Newsweek* has contacted [*Donald Trump*](https://www.newsweek.com/topic/donald-trump?utm_source=Synacor&utm_medium=Attnet&utm_campaign=Partnerships)'s representatives for comment outside of typical working hours.

[*Link to Image*](https://d.newsweek.com/en/full/2373413/donald-trump.jpg)

**Graphic**

Donald Trump

Scott Olson/Getty Images

GREEN BAY, WISCONSIN - APRIL 02: Former President Donald Trump arrives for a rally on April 02, 2024 in Green Bay, Wisconsin. At the rally, Trump spoke next to an empty lectern on the stage and challenged President Joe Biden to debate him. The Wisconsin primary is being held today. (Photo by Scott Olson/Getty Images)

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