GME

$$\frac{T_H = \frac{e^{\pi}}{o}(r)y + \left[\emptyset_f\right]}{\Sigma\sqrt{e^r} + y^{\tau}\{h_l\}\, i\,\frac{n}{g}}$$

by u/HomeDepotHank69

Hank's Definitive GME Theory of Everything

by u/HomeDepotHank69
DD
********** **I am not a financial advisor, this is not financial advice** **********

Introduction (DD starts below)

Apes, did you know that there are usually about 80 confirmed cases of deadly shark attacks per year. You know what nobody ever talks about though? The fact that sharks have TWO, count it TWO, FUCKING PENSIS. I am not making that up. Imagine what I could do with two penises. I'd have twice the total dick length. I might have to rename myself HomeDepotHank3InchesTotal.

On the topic of cocks, did you know that many reptiles have two penises as well? They call them hemipenes. SUCK MY HEMI PEEN SHILLS.

As many of you know, I am a music aficionado. I like to listen to my fair share of classical music like Megan Thee Stallion and Linkin Park, Jazz music like Fifth Harmony, and even heavy metal like Coldplay and Carly Rae Jepsen. However, I recently came across a beautiful artist who I was not previously aware of. He is a contemporary opera singer named Wheeler Walker Jr. Some of his most popular songs reminded me of this current situation:

"Fuck you bitch" - how I feel about shorts

"Pictures on my phone" - my DD

"Pussy King" and "Rich Sumbitch" - apes when the squeeze is over

"Finger up my butt" - me sitting on the toilet scrolling through this sub every morning

"Sleeping on the Blacktop" - shorts after they go bust

"Drop 'em out" - shorts getting squeezed out of their positions

"Sit on my face" - me every time I see my wife's boyfriend

"Still ain't sick of fuckin you" - apes when the shorts beg for mercy

"Dicked down in Dallas" - shorts who live in Texas during the squeeze

"I like smoking pot (a lot)" - my wife

(These are the actual titles and this guy is actually real, I love the internet).

Alright apes, enough joking around, it's time to get serious

Where the DD actually starts

There has been an absolute slew of data in the past month about FTDs, dark pools, and rule changes. As many of you know, I have been pumping out a bunch of DD about the FTD cycle. After reading tons of posts about dark pool DD and DTCC rule changes, I think I now understand how all of this fits together and have thus made this GME theory of everything. The DDs that I read on dark pools and OTC trading are the glue that connects everything together IMO.

In this post, I will be me connecting my own DD about FTDs to other users' DDs about dark pools, DTCC rule changes, and ETF shorting in order to give us a bigger picture of what all of this is and means. Thus, there will be absolutely no prediction in this post, however, it should help you understand how everything is tied together and the fact that because we don't know the exact extent of shorts' exposure, it is impossible to predict when the MOASS will occur. I am confident though that we are nearing the light at the end of the tunnel. With that, Apes, I present to you: HOMEDEPOTHANK69's DEFINITIVE GME THEORY OF EVERYTHING. Enjoy....

Roadmap

Alrighty apes, I am going to first briefly explain my own DD on the FTD cycle. Next, I am going to summarize some DD from a user about OTC trading and dark pools relating to GME. After that, I will summarize some DD from other users about how new DTCC and other agency rules affect GME in the future. Finally, I will summarize how ETF shorting plays into GME. After that, I will go into how all of these fit together in one big beautiful orgy that explains where the HFs are at with GME and why they are there. This will allow us to understand our current position.

Summarizing DD of FTD Cycle, new rules, OTC trading, and ETF shorting of GME

FTD Cycle

Below are the links to my posts on the FTD cycle:

Post 1 Post 2 Post 3 Post 4 Post 5

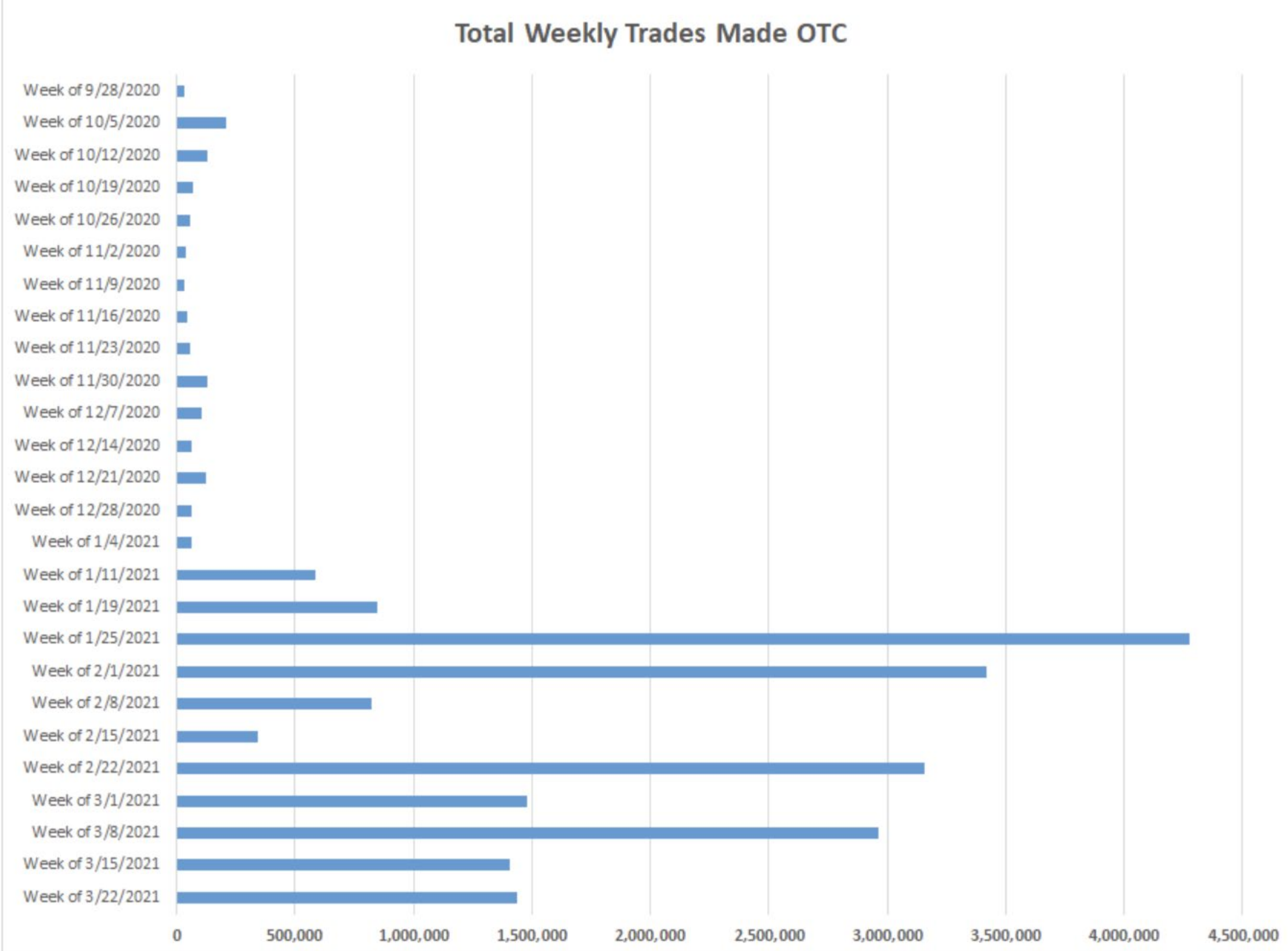
Essentially, the FTD cycle is the idea that because shorts have continuously shorted GME, covered it with borrowed shares, and used naked shorts, their short exposure is multiples higher than the actual shares of GME in existence. Because of this and SEC rules forcing them to cover every 35 days, there are predictable price and volume hikes on the chart that coincide with them covering. As every FTD cycle passes, the price to cover gets more and more expensive, and more and more shares are required (naked or not) to maintain their position, which makes it progressively more expensive and progressively increases their position. This increase in expense is going up exponentially, so each cycle is more expensive for them to keep their positions, and eventually, the pressure will be too much for them and they will be forced out. Because heavy naked shorting probably started in early 2020 for GME, with each passing month their exposure increases drastically because a naked short gives them double the obligation (they must cover the short and the nakedly created share). This is why I believe that their current short position is multiples higher than the amount of GME shares in existence. Therefore, they've dug themselves into a hole (hole is an understatement, it's more like an abyss) that they cannot get out of and are trying to slowly unravel the FTD cycle, which is only possible if apes sell. Because apes have not sold, the FTD cycle continues and gets progressively more expensive and they cannot get out of the abyss, they can only kick the can down the road. Similar to the January squeeze, eventually the pressure will be too much and they will be forced out. Here is a picture of the FTD cycle on the charts from one of my posts:

This doesn't give you the full picture of the FTD cycle but it gives you a generalization of its thesis. If you want to learn more about it, see my other posts.

OTC/Dark pool trading

All credit for this goes to the absolute KING who is u/nayboyer2. Here is his* original post.*

According to his post, Citadel, Virtu, and Two Sigma are and have been trading MILLIONS of GME shares in dark pools and OTC exchanges. He used publicly available data from FINRA and converted it into charts and spreadsheets (again FUCKING KING). He plotted the ownership of GME shares of these firms. He found that these firms are trading over 1000 shares of GME for every one that they own (let that sink in). He also found that an exorbitant amount of shares are trading in dark pools when compared to the float. This data is irrefutable because, again, it is publicly available FINRA data (i.e. he's not just making a theory, he's just saying what the data shows). Here are some important screenshots from his post:



Look how those weekly OTC trades increased

During the week of 1/11, over **671%** of the GME float was traded off exchange.

During the week of 1/19, over **746%** of the GME float was traded off exchange.

During the week of 1/25, over **855%** of the GME float was traded off exchange.

During the week of 2/1, over **478%** of the GME float was traded off exchange.

And during the week of 2/22, over **526%** of the GME float was traded off exchange.

That's one way to suppress buying pressure...

	Shares	Trades	Shares/Trade
Week of 3/22/2021	48,568,861	**1,436,410**	**33.81**
Week of 3/15/2021	41,980,529	**1,403,548**	**29.91**
Week of 3/8/2021	76,529,930	**2,960,633**	**25.85**
Week of 3/1/2021	70,118,713	**1,477,452**	**47.46**
Week of 2/22/2021	**121,667,480**	**3,157,057**	**38.54**
Week of 2/15/2021	21,554,348	**341,014**	**63.21**
Week of 2/8/2021	49,113,110	**825,424**	**59.50**
Week of 2/1/2021	**109,775,296**	**3,417,364**	**32.12**
Week of 1/25/2021	**184,322,088**	**4,275,953**	**43.11**
Week of 1/19/2021	**170,039,730**	**849,773**	**200.10**
Week of 1/11/2021	**156,958,902**	**588,136**	266.88
Week of 1/4/2021	13,926,925	63,783	218.35
Week of 12/28/2020	14,402,253	64,118	224.62
Week of 12/21/2020	35,405,726	122,854	288.19
Week of 12/14/2020	19,437,594	60,013	323.89
Week of 12/7/2020	26,137,279	107,667	242.76

The takeaway: there is a massive amount of dark pool and OTC trading of GME, it's multiples higher than the actual float. This is just publicly available data that they've reported, so I would guess there's even more to this than we can see from public data. Seriously, check out this post if you haven't, it is a masterpiece.

I am just scratching the surface of this, it's only meant to be a summary, I encourage you to read his post. I'd let him have a night with my wife ANYTIME.

New Rules

All credit for this goes to the absolute KING who is u/c-digs*. Here is his* *original post*.

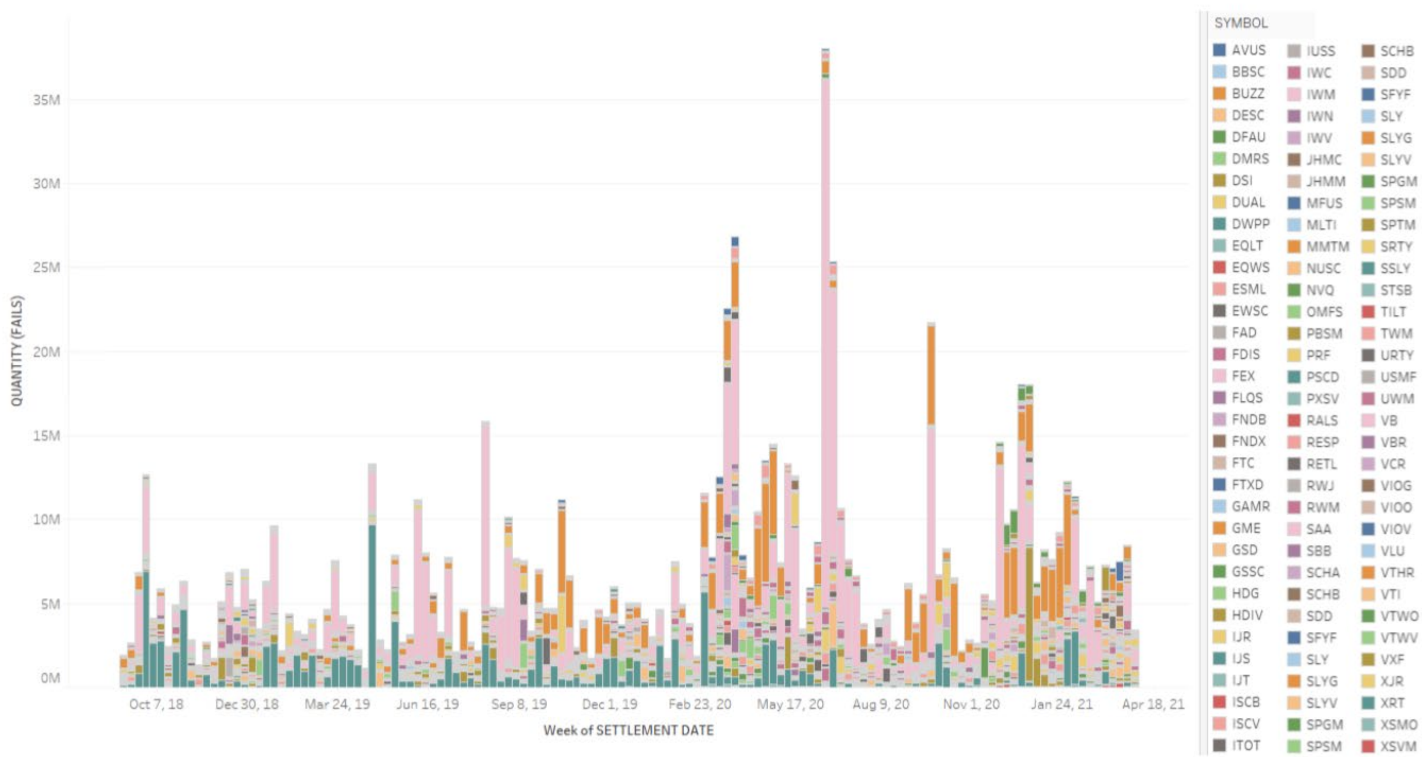
In his post, he theorizes that all of Wallstreet knows what's going on with GME and that we have been trading sideways for so long because Wallstreet is waiting on several crucial rules from organizations like the DTC and OCC to be passed that will essentially ensure that Citadel can't completely break the market when they go bust. The user believes that once these measures are passed, a firm (he thinks BlackRock) will put tons of buying pressure on GME and cause the squeeze because the measures would make the blow to the financial system more containable. He also points out that in a single week multiple banks broke the record for bond offerings (i.e. they want to have cash on hand). This user believes that a few institutions are in GME too deep and everyone knows it and the influx of rules is meant to make the unraveling safe for Wallstreet, therefore, Wallstreet is waiting to pounce on GME until the middle of the summer when these rules would be passed (at the latest). He gives specific rules, how they will essentially take exposure off of clearing companies and put it on members and the defaulting institutions, and shows the latest possible dates that these proposed rules may go into effect.

I am just scratching the surface of this, it's only meant to be a summary, I encourage you to read his post. I'd let him have a night with my wife ANYTIME.

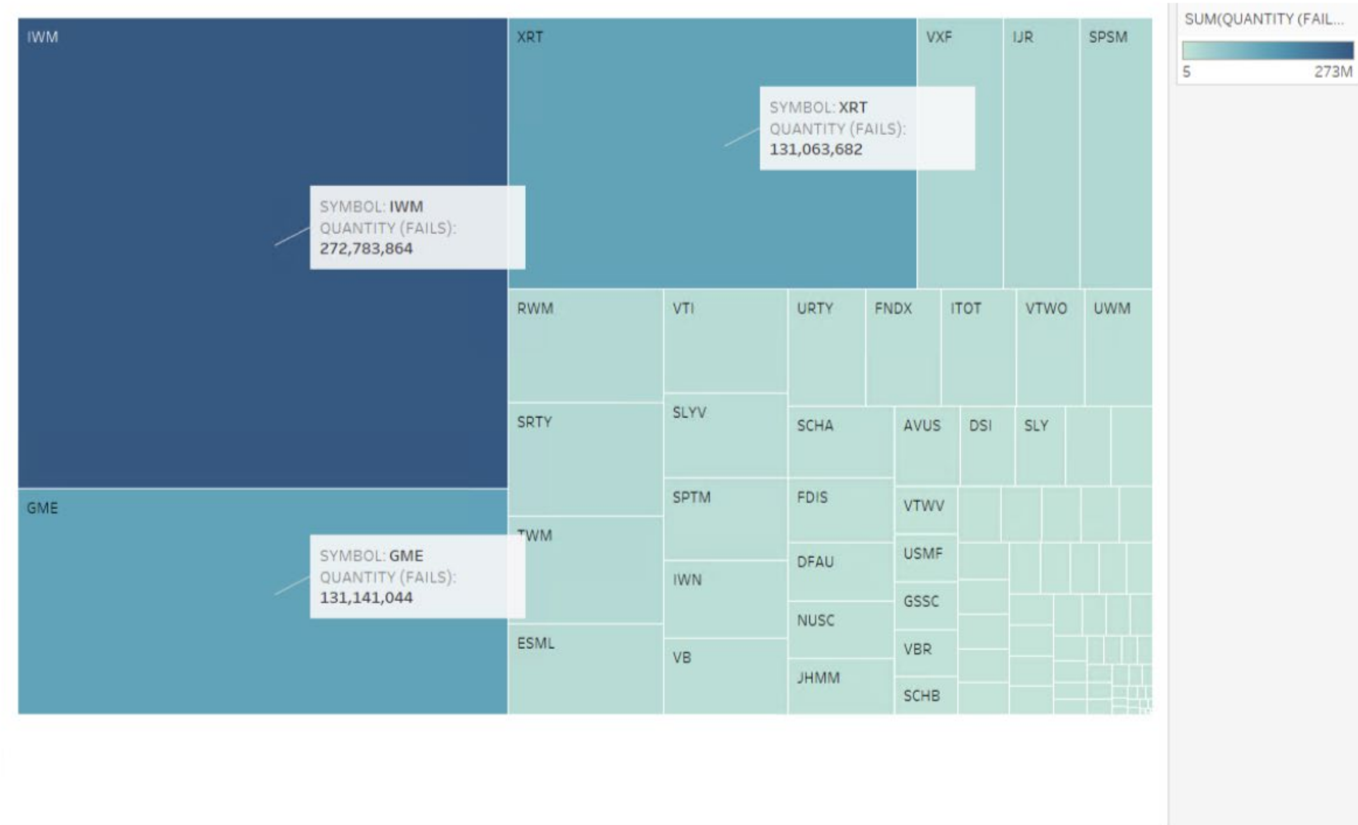
ETF Shorting

All credit for this goes to the absolute KING who is u/leenixus*. Here is his* *original post*.

There are tons of posts about how ETFs are being shorted in order to a. put indirect pressure on GME and b. hide FTDs. I particularly liked this post because of all the charts, which make my smooth brain tingle. I won't go too far into this because most of us already know that another tactic used by HFs is to use these ETFs to put more pressure on GME and to hide FTDs. Here are some important screenshots:



IWM=Pink, GME=Orange, XRT=Green are the main 3 big colours



I am just scratching the surface of this, it's only meant to be a summary, I encourage you to read his post. I'd let him have a night with my wife ANYTIME.

I am not taking credit for the above three DDs. I am using their DD to contribute to my overall theory. Please see their posts as they are spectacular. These are truly KING apes

How all of this fits together

So, we have the FTD cycle, Dark pool/OTC activity, ETF shorting, and upcoming rules that could benefit us. But how do all of these fit together? (again, this is just my opinion and it could be wrong). I will guide you through the conclusions I make as I go by bolding them.

First, the dark pool/OTC data indicates what we all already know: HFs are in a giant fucking hole, an abyss. They borrowed shares, covered those borrowed shares with borrowed shares, shorted with borrowed shares, covered those with borrow shares, and so on. They have been repeating this forever, which is why the price of GME is still so high and volatile. They do most of this covering in dark pools to suppress buying pressure and do other shady things in these dark pools so it goes unnoticed (more on that below).

Moreover, GME's OBV has always perplexed me. How could OBV still be this high post squeeze? The DD on dark pools explains that (i.e. they are covering on dark pools to suppress buying pressure and OBV shows that). This means that apes did not sell post-squeeze and that the HFs did indeed use naked shorts to create artificial selling pressure (OBV is the yellow line):

The OTC data also explains the low volume. The funds are covering in dark pools in an attempt to suppress buying pressure, which is why volume has been so low lately. This also explains the random 1pm jumps in buy volume that I noted in a previous post. Finally, this further explains why GME reacts so strangely to catalysts - there are outside forces (OTC trading) that are currently bogging down the price. If a catalyst happens to line up with when they have to cover (i.e. February 24), then we will see positive volume, if not, there is still massive selling pressure on even positive news.

Furthermore, the dark pool/OTC data provides almost irrefutable evidence that 1. there is still fuckery afoot with GME, 2. the shorts have indeed dug themselves into a hole that they cannot get out of 3. the exposure that the short funds have is astronomical, and 4. unless for some odd reason all apes sell, the MOASS will in fact happen and it will happen big. Essentially, I believe that we now know exactly what's going on, we just don't know the exact numbers of it (i.e. we don't know their precise exposure or how many shares they borrow or use to short during an attack). The fact that GME's price is still insanely volatile and is trading over 5x what most analysts think it should be and the fact that an INSANE amount of volume is coming from OTC markets demonstrates that shorts still indeed have large positions are still very much IN THIS BITCH.

Conclusion 1: HFs are indeed in a deep hole, have not covered, and are trading in high volumes in dark pools in an attempt to kick the can down the road. All of this explains the low volume.

In the OTC data post, the user shows that the institutions involved in these dark pools do in fact own shares of GME; however, they are trading over 1000x the shares that they own. A few days ago, I remember seeing a post from someone who contacted Interactive Brokers asking why the borrow fee was so low (I don't remember the post but if you do please link and give user credit). The person said that GME is one of the hardest stocks to short right now but the reason that the borrow rate is so low is because there is almost zero demand.

Conclusion 2: GME is insanely hard to borrow right now and there is very little demand to short it

Next, dark pool activity helps us to further explain the FTD cycle. Why do we see these spikes in price and volume every 35ish calendar days? SEC regulations force them to cover. Why does it keep happening? The OTC data shows us that they are STILL naked shorting. Why else would there be this much OTC activity. That shows us that HFs are continuing to naked short and cover with borrowed shares every day, thus digging themselves in a deeper hole (because naked shorting creates 2 obligations - covering the short and covering the naked share) and it's getting more expensive to do so as time goes on (FTD cycle) because their short position is increasing rapidly as shown by the OTC data.

Conclusion 3: The OTC data adds credence to the idea that the FTD cycle is getting more and more expensive and that shorts are increasing their short positions rapidly as time passes

So if all of this is true, why isn't some whale coming in to take advantage of it and benefit from a squeeze as many of them did in January? That's where the new rules DD comes into play. Because Wallstreet has access to better, more accurate data than is publicly available, they probably already know what we are just starting to figure out. Why else would the DTC and OCC put in all these rules related to liquidation, bankruptcy, and oversight right after the GME squeeze? Therefore, potential whales are purposely sidelining themselves until these rules are passed, so that they don't completely destroy the financial system in unraveling these short positions. If some whale came in and tried to start the squeeze now, there's a good chance that it would cause a collapse in the financial system because clearinghouses would go bankrupt from having to cover for the shorts who default, which would tank the whales' other assets; however, because of the proposed rules, doing so would only make a few institutions collapse, which would save the whales' other positions in the market.

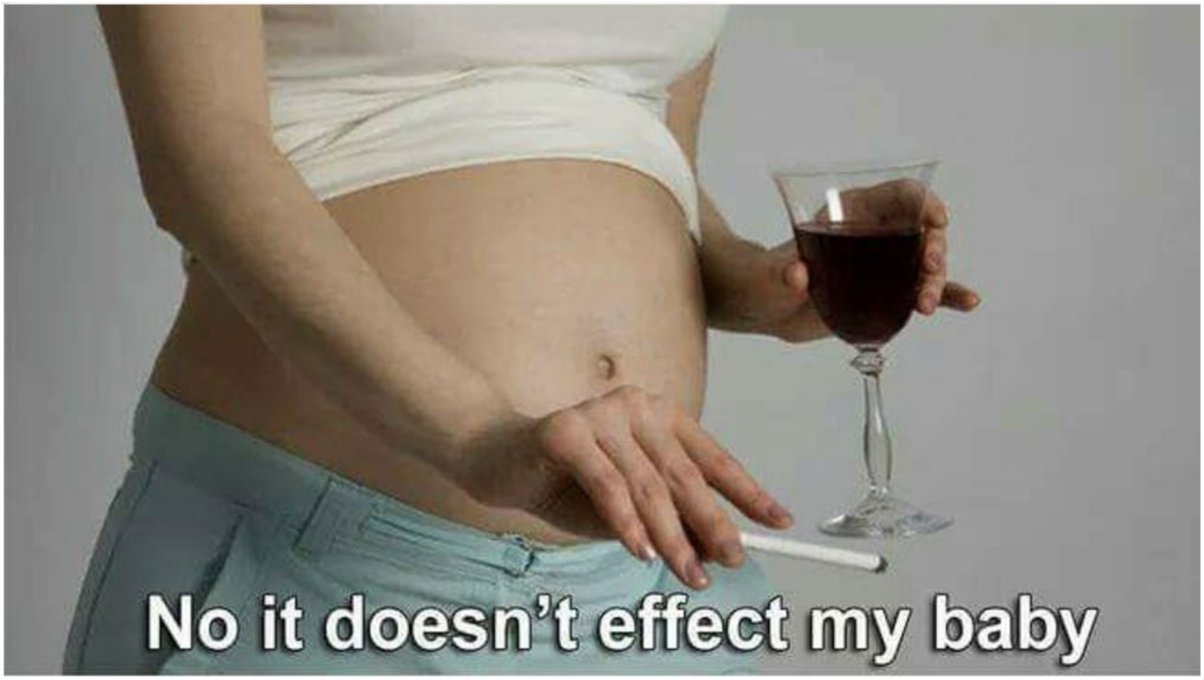
Conclusion 4: Whales have purposely sidelined themselves and are waiting for the proposed regulatory rules to take effect so the squeeze doesn't destroy the financial system.

Back to OTC data. Why would an institution want to trade on a dark market? The first reason is to suppress buying pressure. The second reason is so that the broader market cant see what they're doing (without taking a deep dive like our ape KING did). The third reason is because they may be employing trading strategies that are borderline illegal, would cause a lot of suspicions, and would make GME dangerously volatile. Because dark pools allow institutions to trade with each other absent an exchange, I believe that this is what they're doing on those pools: they are buying and selling back and forth between each other at a rapid rate in order to drop the price. These are the short attacks that we see. Ever notice that it seems to take about half the volume for the price of GME to go down $5 (arbitrary number) as it does for it to rise $5 (arbitrary number)? This could be why. Moreover, I also believe that they are limiting their covering ONLY to dark pools to suppress buying pressure in public exchanges. Why do I believe this? If there was nothing crazy going on with GME then why is there still an asininely high amount of dark pool activity similar to what we saw during the squeeze?

Conclusion 5: Shorts are using dark pools to suppress buying pressure and to drop the price by rapidly trading between each other.

Back to the fact that it is getting harder and harder to borrow GME and there is very little interest. What I believe is happening is, as said above, these funds are rapidly trading back and forth between each other to drop the price, are borrowing shares from each other, are covering with borrowed shares, and continue to use naked shorts. HOWEVER, because the availability of borrowed shares in the broader market is drying up and because the shorts only own so many shares that they can borrow and trade between each other, their supply is drying up, so they can't continue this forever. Because apes continue to buy, the amount of shares available is further drying up. The longer these funds continue to borrow shares, make naked shorts, cover with borrowed shares, and borrow each other's shares, the more the shares available to borrow dry up. As the FTD cycle rages on, this also becomes more expensive over time. Thus, they are playing a losing game but financially cannot stop playing this game because they're in so deep. Therefore, the squeeze will happen when the supply of shares completely dries up and their short positions slowly (or rapidly) start to unravel or when the FTD cycle makes continuing their game too expensive.

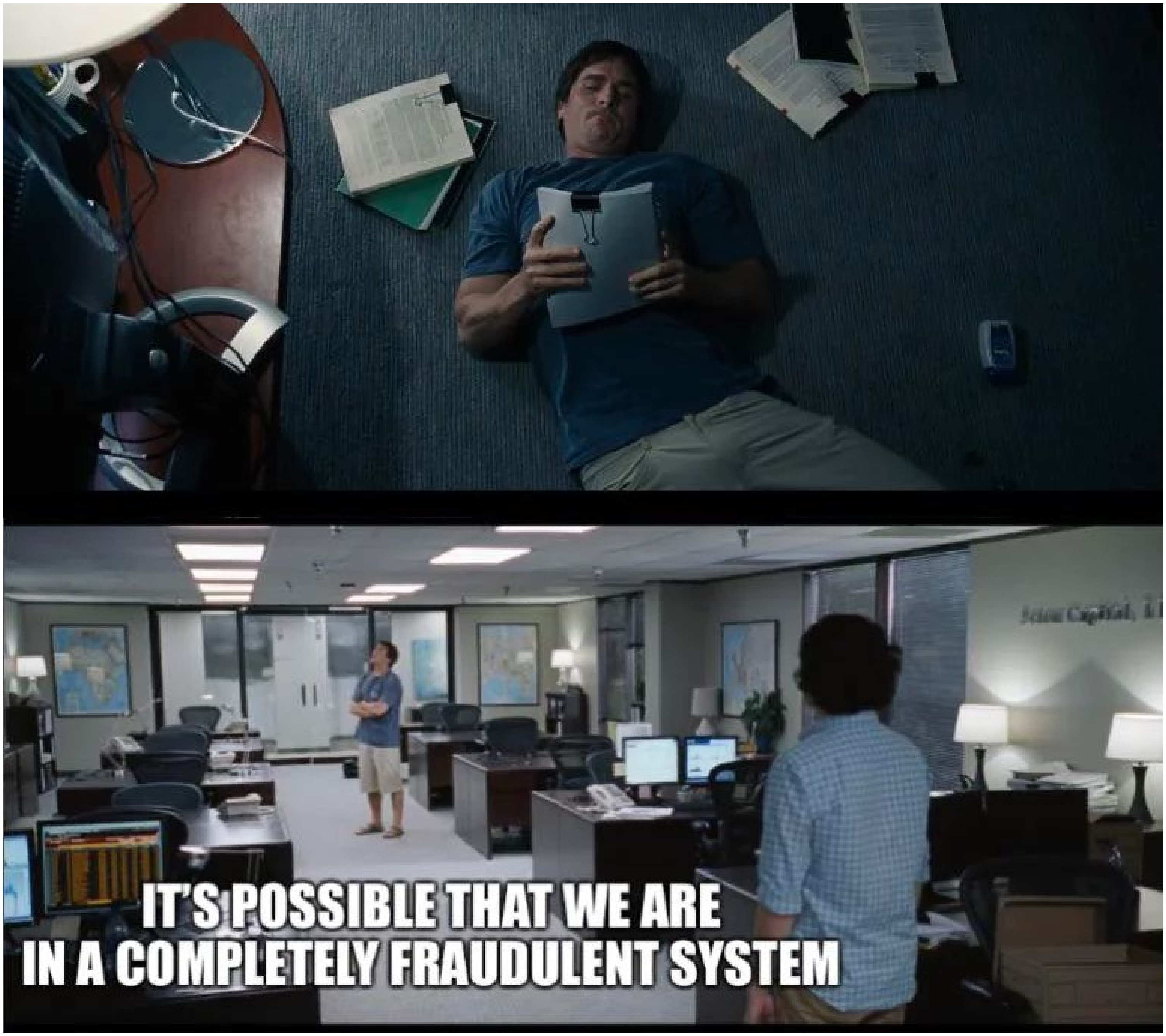
Conclusion 6: The squeeze will happen once the availability of shares to borrow is completely dried up, which seems to be rapidly approaching.



Moreover, many people have also noted that GME and AMC trade disturbingly similar in price and volume. I'll also add that this seems to be true for other stocks that were squeezed in January. Why do you think stocks like AMC, GMC, KOSS, BB, NOK, EXPR move so similarly? It's because they are all victims of the FTD cycle as well. Why do you think all of these stocks squeezed at around the same time and why do you think brokers simultaneously halted trading on all of these stocks? Because naked shorting is a cancer infecting the market. Shorts got too risky during covid and thought that all of these companies would go bust, so they abusively shorted them hoping to get the bankruptcy jackpot. Bankrupting these companies would let these funds be off the hook for covering because the company would no longer exist, so there would be no share to cover. However, J Pow then turned on the money machine and we saw the greatest recovery of all time. Realizing how bad HFs fucked up, brokers had the choice of facing bad press for restricting buying or allowing the FTD cycle to unravel and let the financial system collapse. They did the rational thing. Then, realizing that the problem was still grossly persistent, financial regulatory companies started implementing more and more rules to prevent the unraveling of this from destroying the economy when it does happen.

No one says this but why do you think literally every brokerage did exactly what RH did? Do you really think they all had liquidity issues? No. It's because they all knew what was happening because they had the access to the data. They knew that if they let it squeeze, it would bankrupt Citadel and they'd be on the hook for it. However, now that there are all of these new rules in place, they can allow it to happen once all of the rules are passed.

Conclusion 7: The FTD cycle is persistent and exemplifies the naked shorting problem in Wallstreet that Dr. Trimbath discussed.



Back to GME specifically. In one of my previous posts on the FTD cycle, I used this chart to make sense of T+35:

Notice the low volume in February. I have long said that I don't think that the CFO being ousted is what caused GME to double in February, it just doesn't make sense. Instead, I believe that once brokerages turned off buying power in January, the HFs again amped up their naked shorting to get the price down to where they could possibly cover. Obviously, some people sold but OBV tells us that it wasn't enough people to get the price all the way down to $40. What explains this? Naked shorting in dark pools to disguise what's really going on. Then, at the end of February, T+35 starts coming in to play and HFs must cover for what they did to end the January squeeze. Obviously, they continued to apply more naked shorts throughout this (March 10th anyone?), so their short positions continue to grow and the FTD cycle continues to persist. Perhaps today's low volume, slightly downward price action is similar to what was happening in February (just a thought).

Conclusion 8: The February rise was the result of forced coverings from the January drop and demonstrates that the shorts still have large positions.

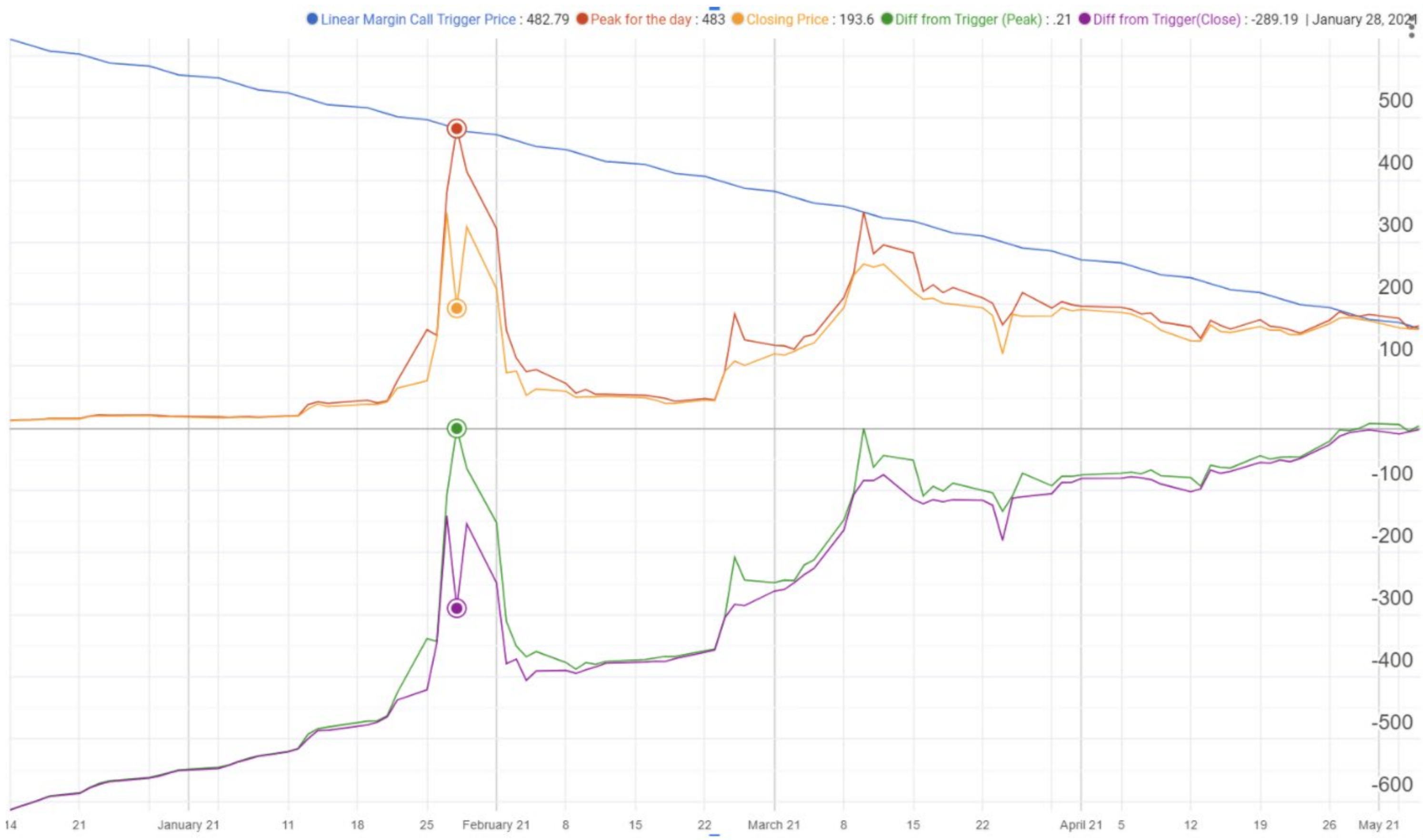
Back to the dark pool data. One of my favorite things from that was the fact that there is not just one player. There are multiple players in this game, which suggests that they are working in tandem. What I posit happened is that these funds all saw the same thing in early 2020: GME is struggling, covid will likely bankrupt it, so let's take some risk and apply naked shorts to hit the bankruptcy jackpot. Instead, the market roared back, GME had a slew of good news in mid-late 2020, and the shorts got themselves in this abyss because they continued to apply more and more pressure on GME. Again, a naked short makes your obligation double because you have to pay back the share that you borrowed and you also have to fulfill the obligation of the share you nakedly created. So every time they apply more pressure, sure the stock goes down, but their net short position goes up exponentially. This is why the FTD cycle persists. Just to kick the can down the road, they use synthetic longs and ETFs to hide and delay their FTDs.

Conclusion 9: Funds are working in tandem because they are both in too deep but it is futile and is just delaying the inevitable.

But what are some of their other tricks? As we know, they like to hide/delay their FTDs through synthetic longs (ITM calls). But what they also do is short the ETFs that contain GME. This applies much less efficient pressure to GME and shows that they are getting really desperate. How do we know that they are doing this? Well, just look at the FTD numbers of those ETFs.

Conclusion 10: Their activity on GME-containing ETFs demonstrates how desperate they are getting

But wait a minute, Hank. Do you have any actual hard data that can back up the FTD squeeze theory? If you would've asked me this any other day except for today the answer would have been no. Thanks to u/AOCsquad126 and u/leenixus for this beauty of a post. In short, the post uses a model with a linear margin call price trigger on GME. It's very fascinating and I suggest you take a look. In short, I believe this post gives further credence to the idea that the shorts are bleeding more day by day because it is getting more and more expensive to maintain their positions. Why do you suppose it gets more expensive day by day? Oh I don't maybe it's because of they keep borrowing and borrowing. Finally, the OP makes an excellent point here that, when they get margin called, we will not know for up to T+35 days (he gives the example that Archegos was margin called in February but the effects weren't seen for another month). This gives further credence to the idea that the MOASS will come randomly and out of nowhere. Here's a screenshot from the post:



Conclusion 11: I like the stock. I like the FTD cycle.

Putting all of the conclusions together and putting them in context:

Below is what I believe is the timeline of GME thus far. This is a summary of my theory of everything:

1) GME is a struggling brick and mortar retailer that is stuck in the past and on the brink of bankruptcy. Covid makes these problems even worse.
2) Multiple funds see a bankruptcy jackpot with GME as it is a struggling company that probably will go bankrupt because Covid will destroy its in-person business
    a) Because bankruptcy is likely, these funds decide to up their risky. Their risk models say there's only a 0.001% chance GME goes above $50 and it's almost certain it will go bankrupt, so they start doing some very aggressive maneuvers
    b) They short it, use naked shorts, cover with borrowed shares, cover with naked shorts, and cover with synthetic longs. Essentially, each time they do this, they are increasing their obligation by 2x because of the naked short. But it's all fine because they won't have to pay back these naked shorts if GME goes bankrupt, which is likely
3) The market roars back in 2020 because of J Pow's money printer. HFs positions are down, so they double down. It's fine
4) It might not be fine, it keeps rising. They double down again
5) They now have a disturbingly high, but not lethal, short position because all of these naked shorts are increasing their obligation by 2x. But it'll still be ok because the stock is only at like $20
6) It's still going up. They now have the option of either getting out of the position and taking the loss or doubling down. Guess what they do?
7) It's still going up; they are now forced to keep doing this
    a) They are now in a never-ending abyss that they can't get out of because they've shorted more shares than are in existence, but they still probably won't lose too much because the stock is still not above $50. It'll probably be fine
8) It's not fine. The media and retail investor catch wind of the high SI. Celebrities tweets, weak shorts are squeezed out, volume pours in
    a) The January squeeze happens
9) Realizing this could be the end, they coerce RH to stop buy orders because the squeeze would have destroyed them had it gone any higher. Other brokerages do the same because they realize that allowing the squeeze to continue could destroy the financial system because of how large the short positions are
    a) Now that there is no buying pressure, they can prevent the squeeze from bankrupting them by shorting it to the ground and getting out of this FTD cycle if they can get it low enough
    b) The requires using more naked shorts to get it from $400 to $40
    c) Though the price goes down, they are now in a bigger hole and need to keep shorting it if they ever want to get out of this hole
10) Because they need the price to keep going down, they don't take their food off the gas and they amp up their dark pool activity, which really picked up in January)
11) In the backdrop of all of this, they are abusively trading in dark pools
    a) To suppress buying pressure, they cover in the dark pools
    b) To put selling pressure on the stock, they rapidly buy and sell between each other on the dark pools
    c) Because they all own SOME shares, they lend shares to each other to help each other cover and put more pressure on the stock
    d) All the while, the availability of shares that can be lent out is drying up and the institutions themselves are running out of shares
12) While all of this is happening, the shorts must keep covering their FTDs every 35 calendar days because of some pesky SEC regulations (FTD cycle). To hide their FTDs they buy ITM calls so it appears that they have covered. However, calls expire, so they have to keep buying more every month
    a) They are financially unable to unwind their short position and have to keep applying pressure through naked shorts and the like
13) They are slowly running out of shares to short, they are digging themselves in a deeper hole the longer they keep it up, and it is getting more and more expensive every FTD cycle period, but they are in so deep that they are financially unable to stop doing this
14) All the while, financial regulatory organizations and companies noticed this a while ago because they have better access to information than the public. They implement an absurd number of rules and regulations to limit their exposure in the impending unwinding of the short positions. This will allow only a few institutions to collapse in the MOASS rather than the whole system
    a) Whales have purposely sidelined themselves in anticipation of these regulations, so that the MOASS doesn't destroy their other positions
15) Eventually, one of two things happens:
    a) There are no more shares to borrow, the shorts are forced to unwind their position
    b) Once the rules are implemented, whales finally feel comfortable to come in and yeet the shorts out of existence
        i) The 0.001% possibility on their risk models has come true
16) The entire thing unravels, a few large institutions go bankrupt, the economy corrects but doesn't crash, apes make absolute bank, whales make even more, Wallstreet blames the entire thing on retail investors, none of the abusive shorts are held accountable, Congress holds hearings to satisfy the masses but passes no meaningful regulations
17) My wife still has a boyfriend

Conclusion 12: Tendies

Some other thoughts

Catalysts

It has long been a sentiment that a catalyst will cause the MOASS. Though I wholeheartedly agree that this COULD be true, I want to emphasize that is not the only option. First, as I've said above GME reacts strangely to catalysts because of FTDs and shorting (doubled on CFO ousting but went down on RC being named daddy/master/lord/senpai of the board). We still have many possible catalysts: CEO announcement, partnerships, crypto shit, etc. However, it's important to remember that January was not caused by a catalyst. Sure, the events leading up to January were caused by catalysts (SI being sky-high, media coverage, RC, tweets, etc.); however, the actual squeeze in January wasn't spurred by a catalyst. It was just the shorts being forced to cover due to the price rising. After seeing how GME reacts to catalysts, I believe that the squeeze will not happen because of a catalyst but will happen in a similar fashion to January: completely unexpected because the shorts were forced to cover. Could a catalyst cause the squeeze? Hell yes. I personally think that a catalyst might cause it to rocket, but similar to January, the real squeeze will happen after an initial rocket due to catalysts and will be the result of the shorts being forced to throw in the towel, not a catalyst squeezing them out. Essentially: catalyst-> rapid price jump but not squeeze (think early January) -> parabolic price jump caused by rapid price jump squeezing out shorts (think January squeeze).

How this is disturbingly similar to 2008

In 2008 institutions sold risky mortgages to people who shouldn't have qualified for them. That was bad. They also created mortgage-backed securities with these risky mortgages in them and sold them across Wallstreet, which gave the entire financial system exposure to bad mortgages. That was worse. They then created collateralized debt obligations that were essentially bets for and against a default on these loans (i.e. they made derivatives of these MBS). That was fucking terrible. They then made synthetic CDOs, which were bets on the reverse side of the CDO (i.e. a derivative of a derivative). That was a nuke. All the while half of Wallstreet was buying credit default swaps, which are derivatives that bet for a default to happen. This was Wallstreet canabalizing itself. That was a huge generalization of 2008, though. So essentially, the derivates market for these bad mortgages was about 10-50x more than the value of the actual underlying asset (the MBS), which is why when the underlying failed, it almost caused another Great Depression. By making bets on bets on risky assets, they created a web that, once volatility happens, would unravel (because once the underlying fails the derivatives fail and the derivatives of the derivatives fail). They essentially dug themselves into a hole that you couldn't get out of because they made all of these derivative bets that far exceeded the actual value of the underlying asset. Sound familiar to what I said above? Financial crises happen when institutions place risky bets and make bets on these bets. When they make layers of derivates like this, it makes the system seem like it's booming for a while but as soon as something goes bad, it all unwinds in a tragic way. That's what's happening now with these webs of naked shorts.

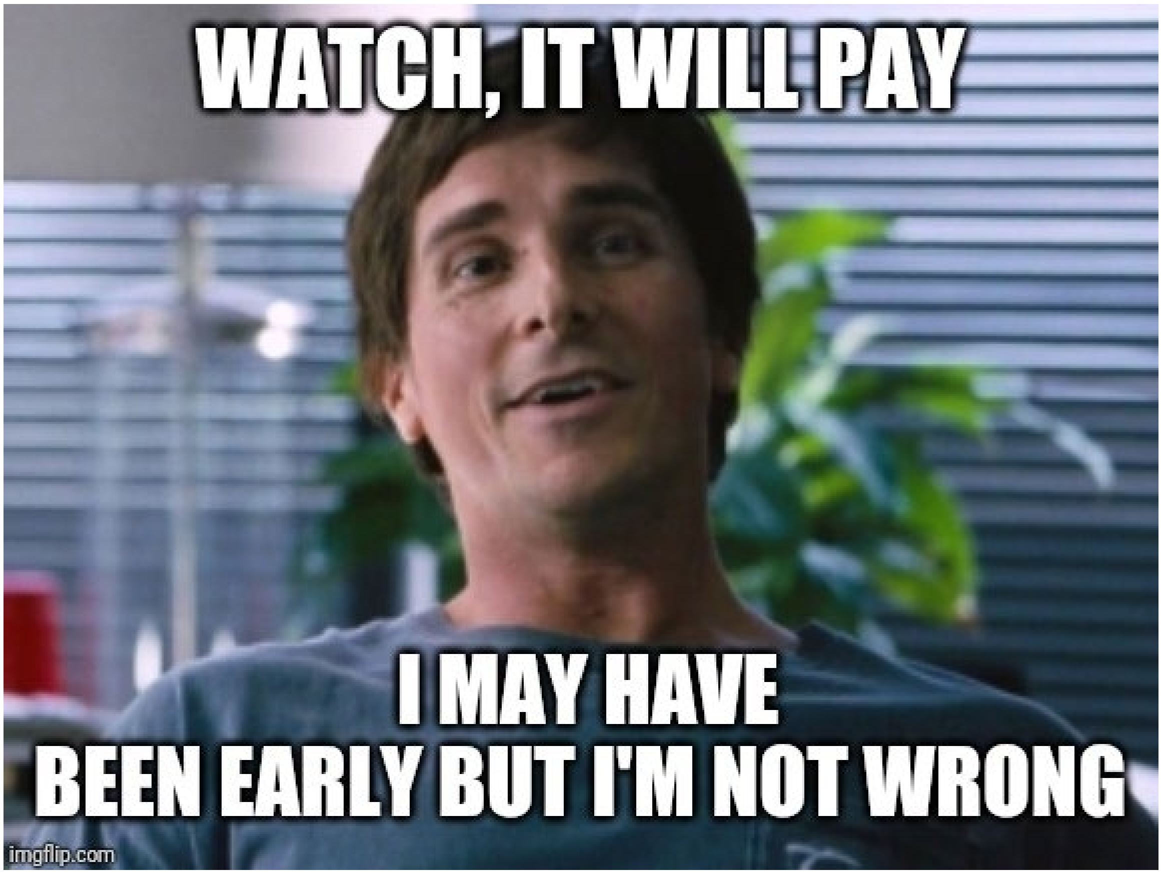
The Future

With all of this in mind, here are my thoughts about the future. As I have said, I believe that the FTD cycle is slowly chewing away at the shorts, and I think that the dark pool data helps confirm this. I also believe that the timing and contents of the aforementioned rules is very interesting.

Therefore, I believe that either A. the pressure on the shorts will overwhelm them and their positions will be forced to unravel, or B. with the safeguards put in place from the new rules, a whale will come in and unravel the positions for them.

This post has no dates. I personally like posts with dates if they have a ton of research behind them and are logical. However, as we've seen, though some people can predict certain price action, no one can predict the MOASS. The MOASS will come, we just won't know when because we don't know exactly how much blood the MMs have lost yet and how close they are to dying. All we know is that they've lost a lot of blood and keep losing more. So, none of us will see the MOASS coming, but it will come (just like my wife when she's with the mailman).

Though I have no dates as to the happening of the MOASS, I leave with this:



If you have FUD, read this

I, like all of you, have been a victim of FUD. I often think to myself, "they know more than us, there's no way they'll let this happen again" or "it's been trading sideways, it's all over" or "they have more resources than us and will end this quick." FUD is a bitch. FUD is the type of girl that your wife's boyfriend avoids. To help some of you who are experiencing FUD, here is what I always remember whenever those thoughts enter my head:

The thesis of this part of the post is that what's happening to GME is not normal, which validates all/most of the topics discussed in this sub. Yes, a short squeeze to that magnitude is abnormal, but what really gets me with GME is what happened AFTER the squeeze. Find any stock that has been massively squeezed, and you will see that it doesn't behave like GME has been for the past few months. If GME would have held around $30-50 like it did post-squeeze and didn't rocket up to 100>200>300 in the past few months with all of this crazy trading action then all of these theories would be very farfetched. However, as I have said a billion times, the chart and data are all that you need to see to know that this stock is still not normal.

Therefore,

It is not normal for a stock double in the span of a few hours on news of a CFO getting fired (2/24). It is not normal for a stock to open at above 250, go to 350 before noon and then fall down to 172 all before 2pm on absolutely no news (3/10). It is not normal for a stock to tank on earnings and then literally make back those losses the very next day on absolutely no news (3/25). It is not normal for a stock to double on news of the CFO being ousted but to go down 5% on news that the key player (Cohen) is being announced as the senpai of the board of directors. It is not normal for a stock to stay above $150 when every Wallstreet analyst says it's not worth more than $50. It is not normal for a stock to have an extremely negative beta. It is not normal for a stock to fluctuate in value by 10x over the span of a few months (up AND down) on very little fundamental news. It is not normal for multiple forums talking about the same stock to be infiltrated repeatedly by suspicious accounts trying to create FUD (i.e. shills really on exist on forums discussing GME, not regular retail investing forums like r/investing and r/stocks (which I am banned from hahahaha)). It is not normal for a stock to be universally hated by mainstream finance yet still be trading over 5x what they believe the fair value to be. It is not normal for a stock to get squeezed, fall back down, then almost regain its squeeze price on no fundamental news. It is not normal for a stock to have OTC activity that is multiples higher than its daily volume and float. It is not normal for that OTC volume to be comparable to the January squeeze levels despite "ThE sQuEeZe BeInG oVer." It is not normal for DTC to be implementing a slew of rules about the very things we are talking about. It is not normal for a stock to have random volume spikes in the middle of the day on absolutely no news. It is not normal for ETFs containing said stock to be abusively shorted as well. I could go on and on. If you have FUD, come back to this, and you'll realize that though we might be early, we're not wrong.

Does it really make sense for GME to be trading on volume below 5 million consistently (on Wednesday we hit a number we haven't seen since early October) when every boomer analyst says it's 5x overvalued in price and there's an insane amount of interest from retail investors? No. It makes zero sense. On one hand, you'd expect those boomers to short it because it's so overvalued, but they're not. That's because it's almost impossible to borrow (unless you're a MM) and they know what's going on. On the other hand, you'd expect the media to be saying "this is crazy, it shouldn't be 5x overvalued, short short short" every day, but they aren't. That's because they know what's going on. Apes, I'll say it again, THIS ISN'T NORMAL!

Conclusion

Well apes, if you've made it this far I applaud you. That was a mouthful to say the least. Thank you for sticking with me to the end of it, this was probably my most in-depth DD and also the one I enjoyed making the most. Please take this with a grain of salt and remember that it is just my opinion, you should always do your own DD before making any decisions.

Apes, I hope you realize what this community has done because it's astounding. Between WSB, GME, and SuperStonk, regular, novice investors have pieced together the puzzle that only large financial institutions are usually able to do. What's even more amazing is that this was done using limitedly available, often incomplete public data. The level of complexity of some of the DDs that I've read is on the level of publishable. The volume, complexity, and completeness of data in this sub is spectacular. Fuck Robinhood's "DeMoCrAtIzIng iNvEsTiNg" bullshit. This sub is democratizing investing, and let me tell you, it's been an honor to be a part of this community. As always...

Stay strong, apes.

TL;DR

See "**Putting all of the conclusions together and putting it in context"** section with the 17 numbered points.

********** **I am not a financial advisor, this is not financial advice** **********