

Lessons from the rise in **GameStop**[®] --- stock

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Outline



1 Company description

2 Analysis

- Word association
- Sentiment

3 Conclusions

GameStop



YAHOO FINANCE REPORT

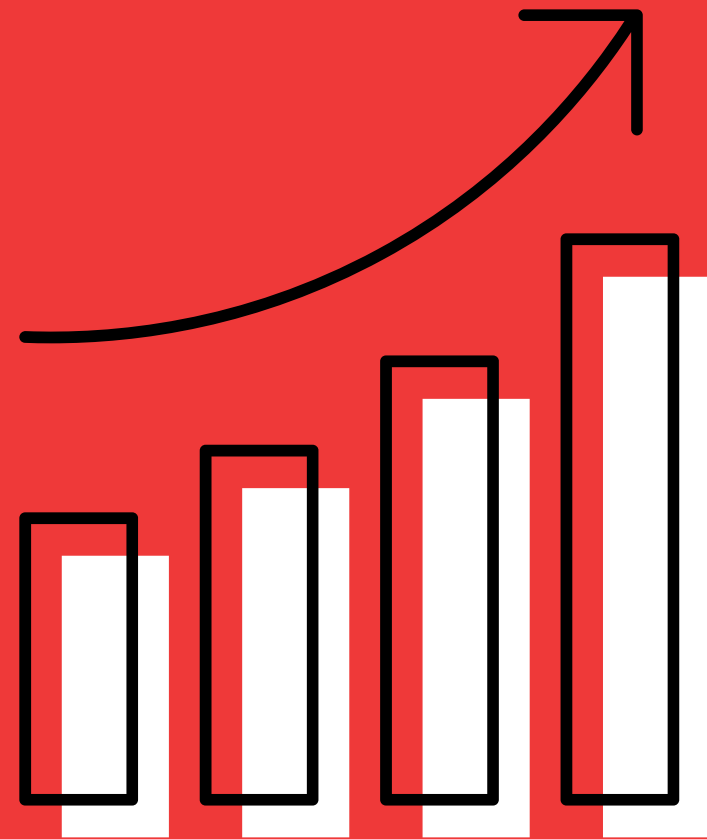
01 The company was operating at a loss.

02 The blockbuster of video games

03 Chewy.com founder Ryan Cohen to guide its transition to an e-commerce business.



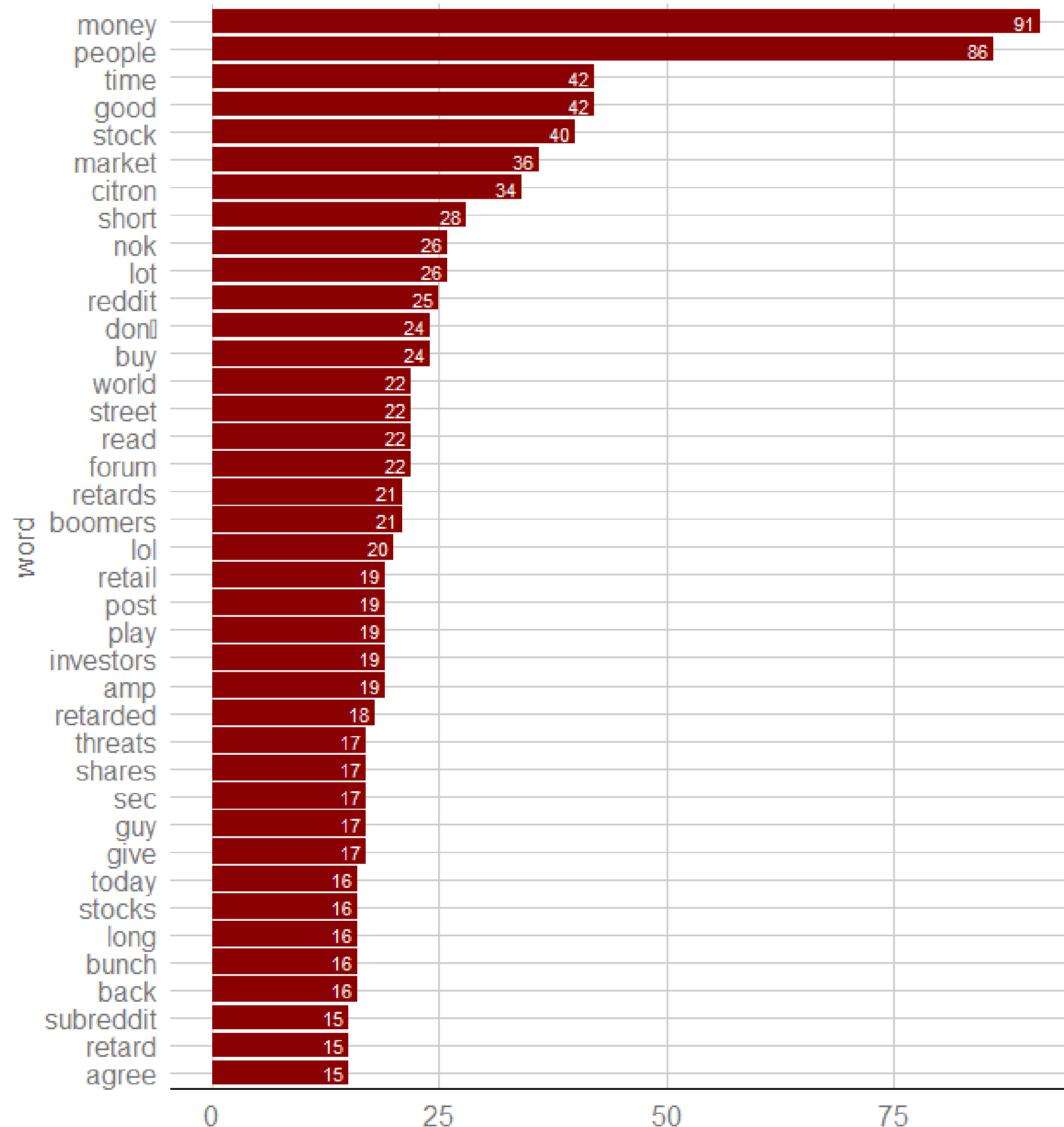
\$347.51



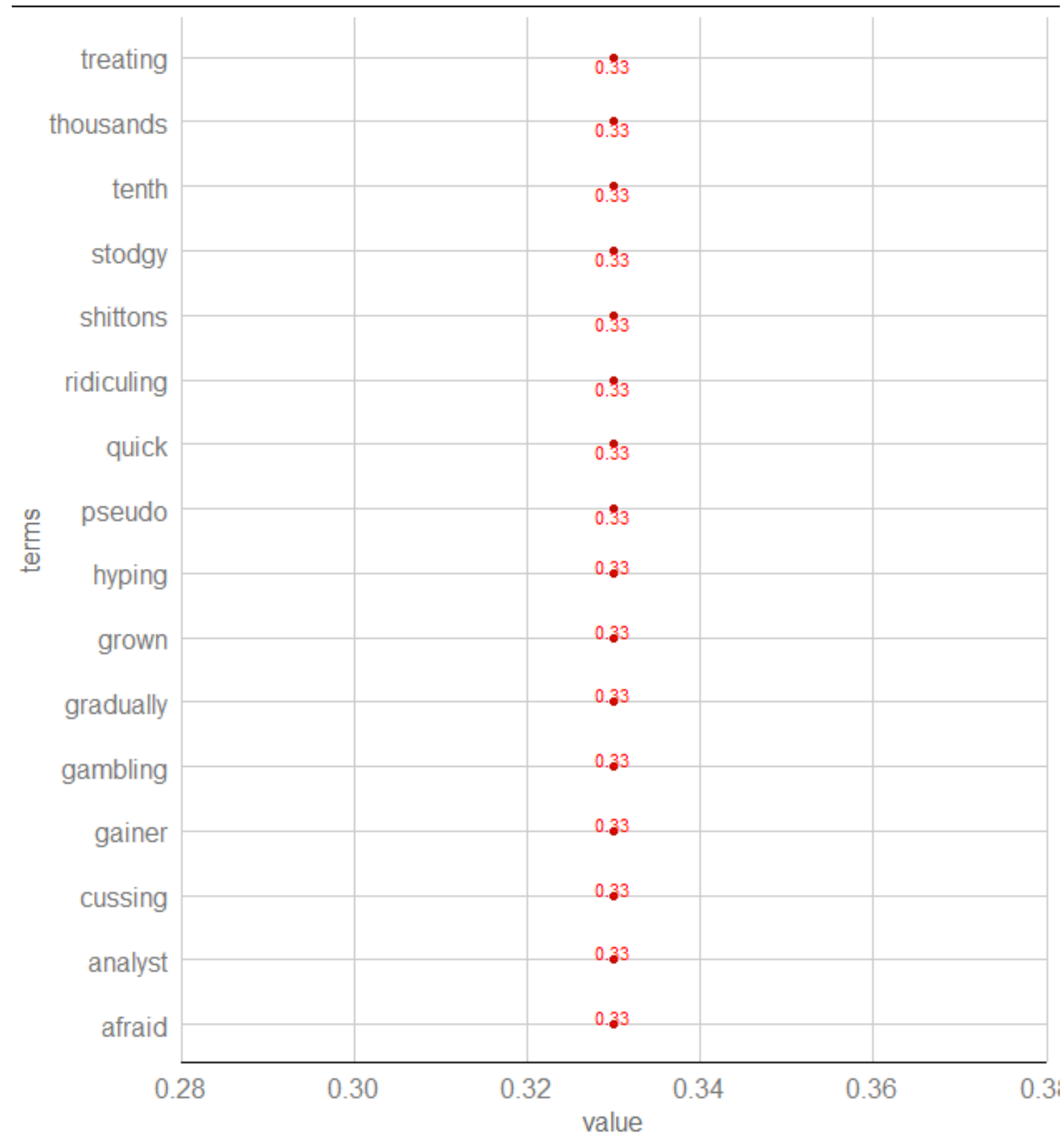
\$17.25

What triggered the massive growth of the stock price?

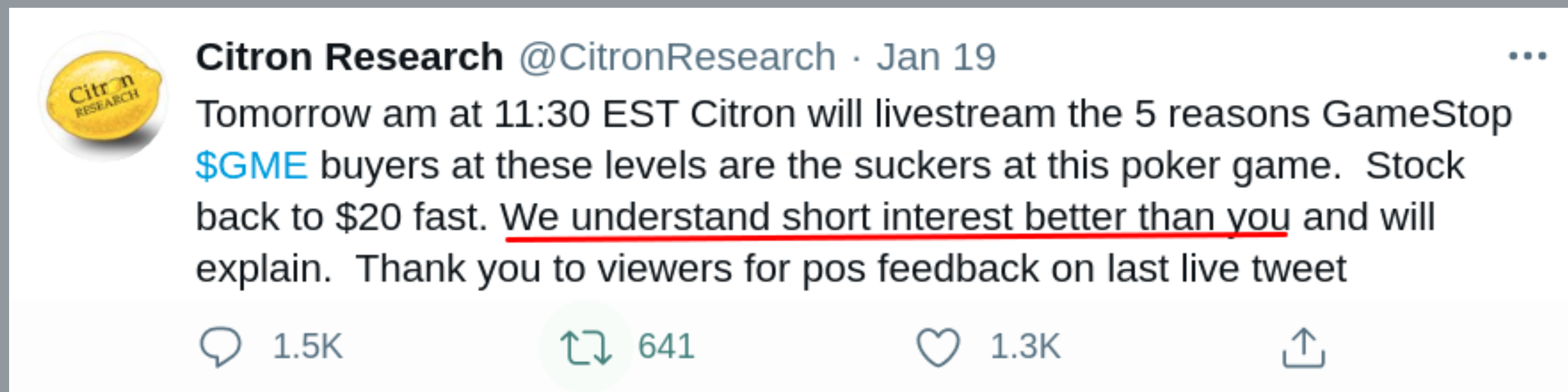
Frequent Words

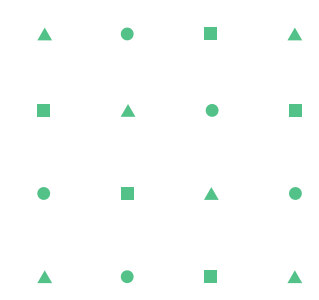


Citron



Citron's announcement that they have coverage for all the shorts generated by the speculation on Reddit





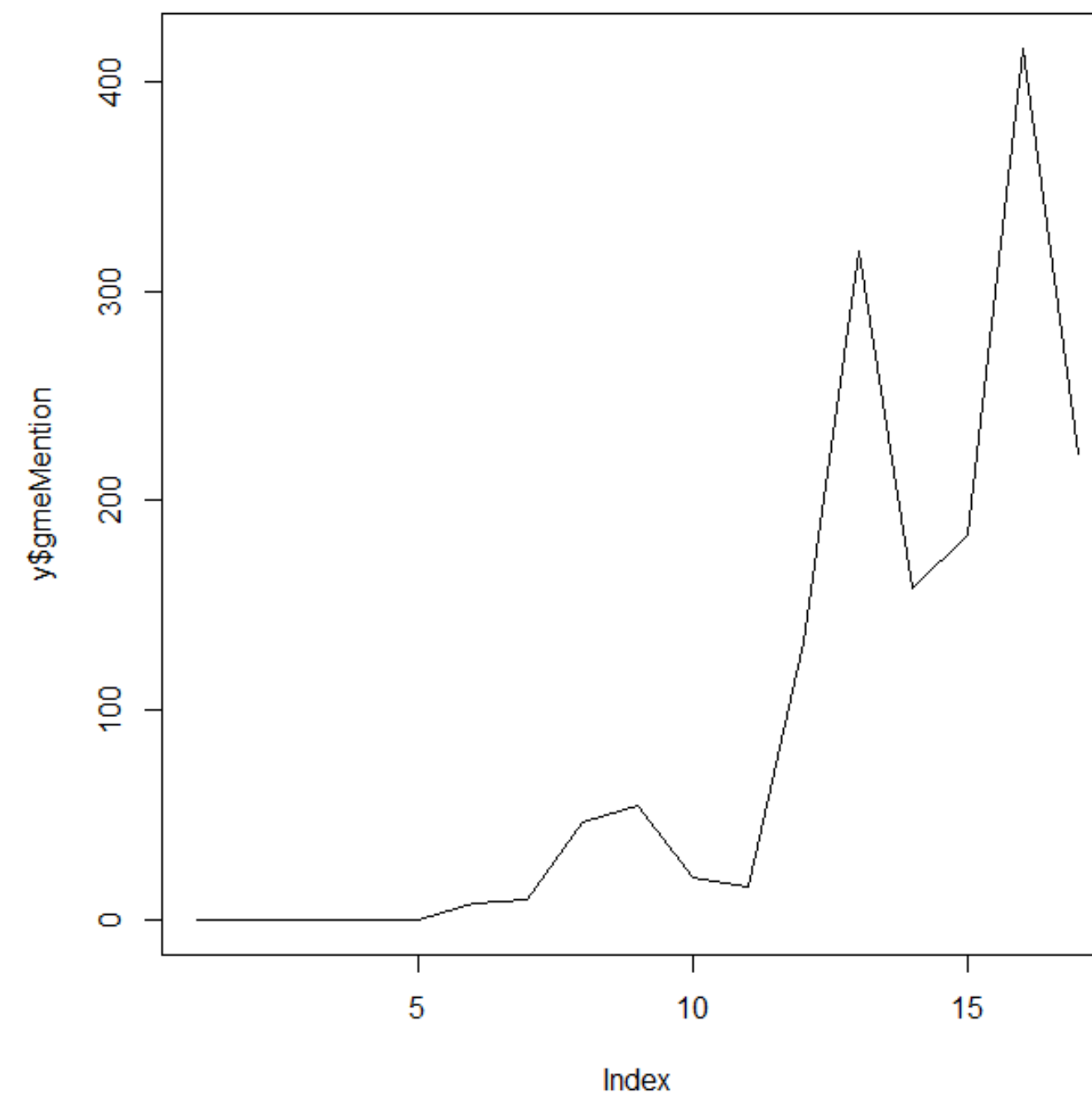
Rebellion started:

many small traders on Reddit decided to get together and make fun of capital short-selling hedge funds.

The more they buy, the more big hedge fund companies lose money.

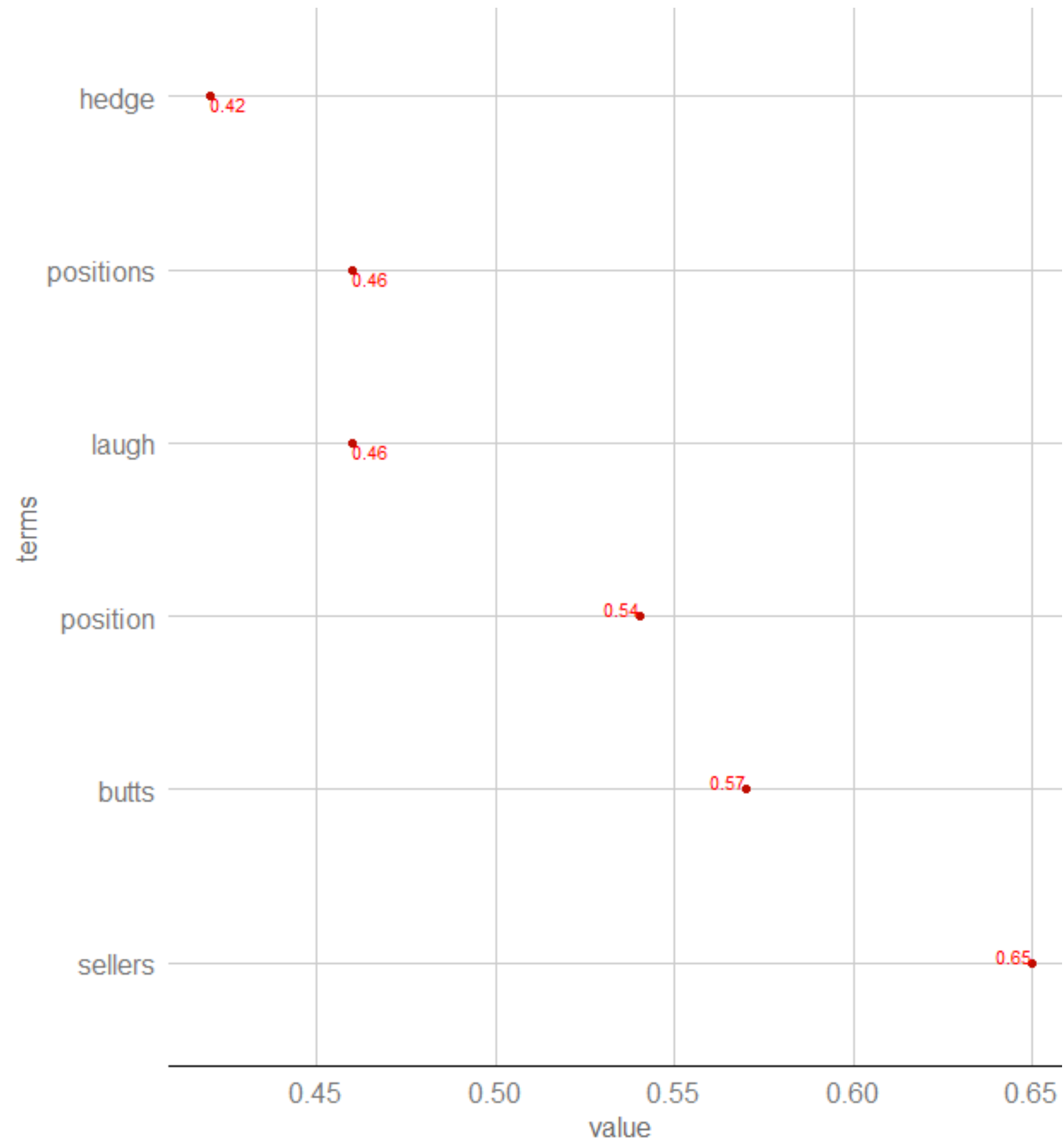


GME Stock Price

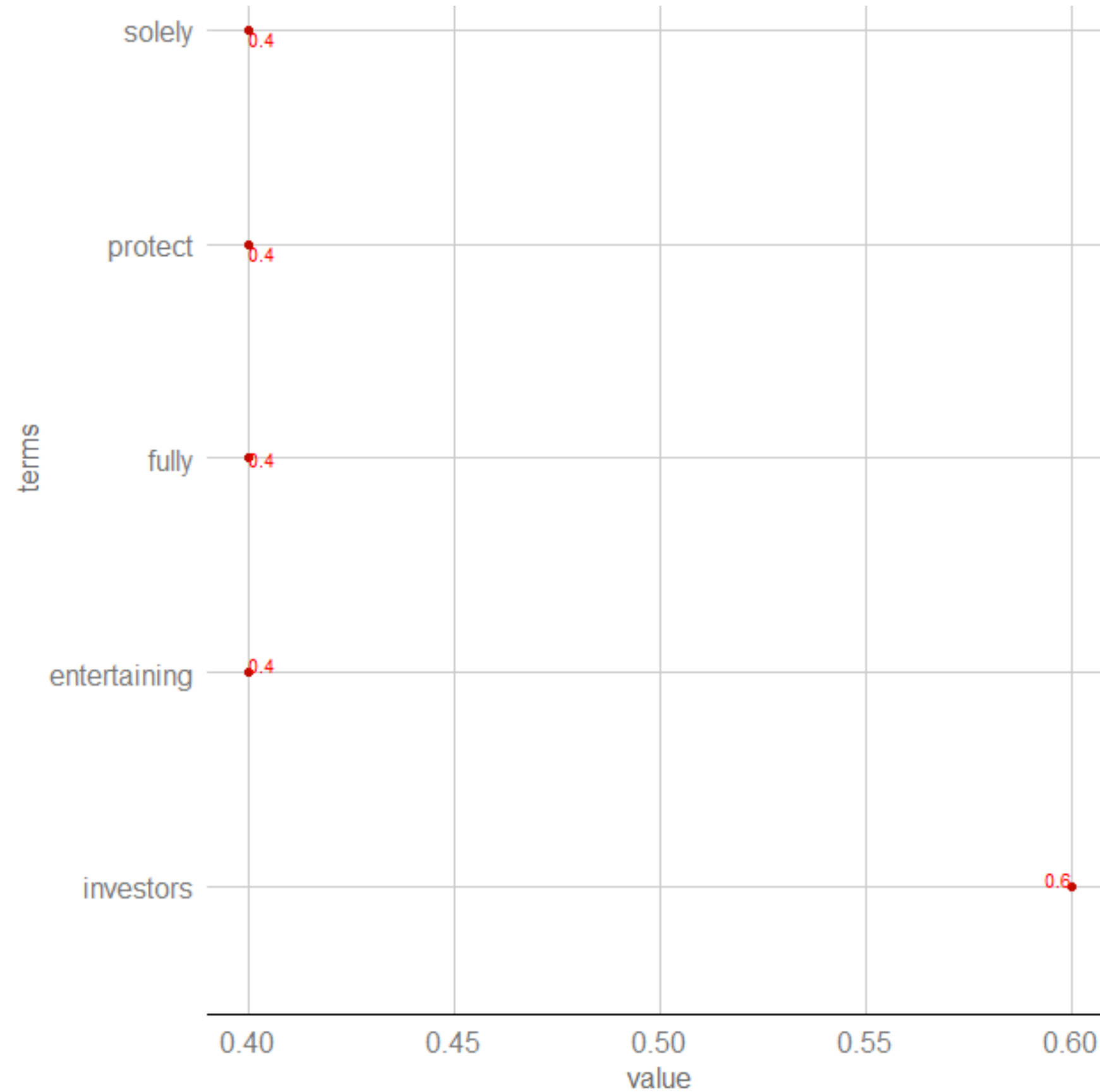


**GME Reddit
mentions**

Short



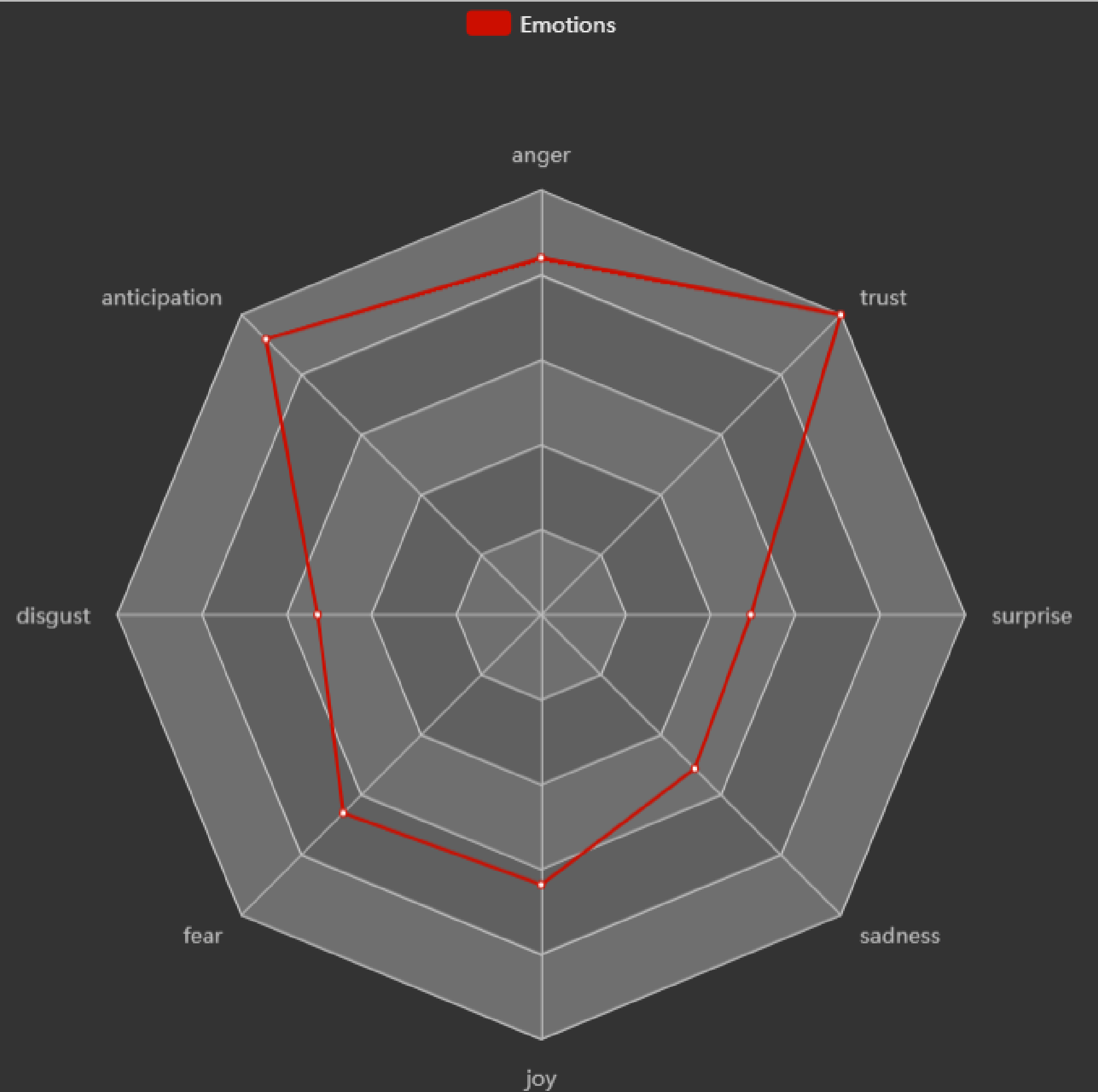
Retail

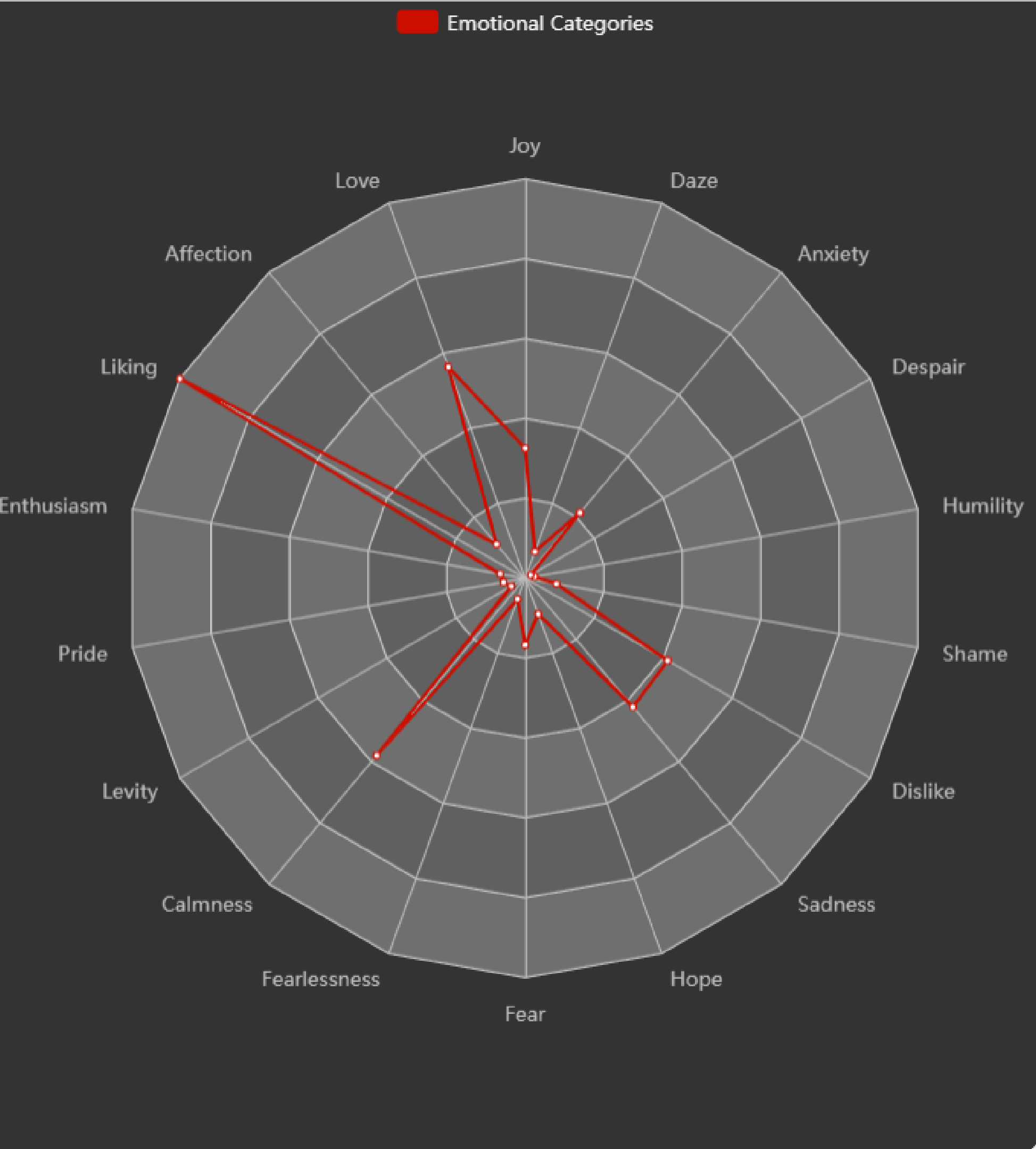


Retail investors are irate about getting bent over by institutions that use massive capital influence to short stocks.

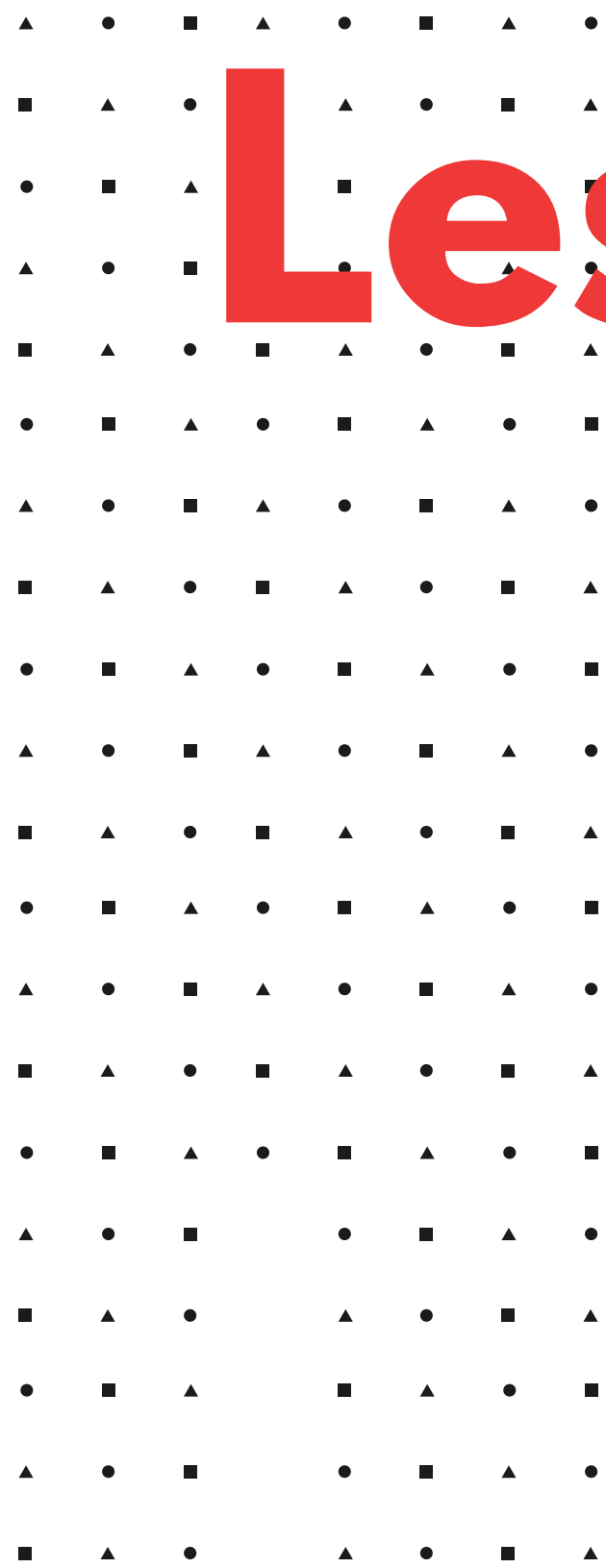
Sentiment Analysis

Trust, readers are not coordinated but they all feel confident they will be able to make big hedge fund companies lose money.





Small traders were having fun, gambling, and target big companies to make them lose money.



Lessons

Don't send the wrong message to the market

After Citron's announcement that they have coverage for all the shorts generated by the speculation on Reddit, WSB decided to act and start buying shorts

Do not underestimate a bunch of small buyers:

many small traders on Reddit decided to buy many stocks that created a shortage in the supply and increased the price.

Pay attention to the comments of companies that are prone to disappear.

GME was considered the Blockbuster of video games as most companies are offering online products.

- Nok