

Title: By the 16th Of July, at least 26.9M synthetic shares will evaporate, what to do dear shorties?

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**\*\*Introduction:\*\***

As we know, Deep ITM calls and deep OTM puts are used by SHFs with the help of MMs in order to reset FTDs and hide the real short interest of GME.

While the deep ITM call tactic tends to be used as a short term maneuver where the call option is exercised quickly after the SHFs uses the synthetic share born from it to reset its FTD. the deep OTM put remains in the register for a longer period. long enough to convince the apes that the shorts has covered their positions and that the short interest dropped significantly!

However, the apes didn't get bored and held to their shares. they held long enough so that the date shorts set for their deep OTM puts is on the corner: the 16TH OF JULY 2021!

**\*\*Body:\*\***

A deep OTM put is a put option with a strike price too low that it is practically impossible it becomes in the money and get exercised. Those puts are generally cheap to purchase. An average Joe won't spend his money on buying a put that will certainly expire worthless.

But Melvin, Citadel and friends are no average Joes, Oh no, hence what is worthless for you is very valuable for them.

As u/broccaaa very well explained [here](https://www.reddit.com/r/Superstonk/comments/o14ccz/the\_naked\_shorting\_scam\_in\_numbers\_part\_deux\_up/). A spike in put open interest occurred in January, this went hand in hand with a drop in GME Short Interest. Of course, those puts have an expiry date. Hence This post!!

In fact, by analyzing the put options open interest of the 16th Of July, we can easily detect a **\*\*VERY HIGH NUMBER OF DEEP OTM PUTS\*\***:

[Puts for the July 16th ordered by strike price](https://preview.redd.it/ulqfrlmogv871.jpg?width=922&format=jpg&auto=webp&s=3b7fd08cf514ec63bddb18d1a8462fa8f6f47b80)

As you can see, the biggest open interest (active open contracts) has a **\*\*strike price of 0.50\$!!!\*\***

Who for god sake believes that GME price can drop under 0.50\$, I heard them analysts talking about 10\$ BUT 0.50\$!!!

Well, those weren't purchased to be exercised but rather to hide the short interest of GME!

As we know 1 option contract is 100 shares, meaning for the 0.50\$ put options expiring the July 16th we got **\*\*14.8 Million shares\*\***!!!

Being conservative, We can assume that all contracts under 10\$ are deep OTM puts, doing the count it gives around: **\*\*26.9 MILLION SHARES IN DEEP OTMs\*\***

Well, for normal puts, when expired worthless the buyer loses the money he paid for it end of story! But for the evil SHFs and MMs this means more!

It means 26.9 Million counterfeit shares evaporate!! Well, those shares that just disappeared need to be replaced hence found elsewhere or recreated!!

We know That recreating counterfeit shares is getting more difficult with all the new rules implemented! So maybe those shares (or a part of them at least) should be bought!

But who own the float? The answer is obvious! **\*\*WE APES OWN THE FLOAT!!\*\***

So what happens, when you try to buy a share from an Ape?

I let you answer the question yourself!!!

**\*\*Conclusion (TLDR):\*\***

**\*\*SHFs along with MMs used deep OTMs puts to drop the SI of GME while creating millions of synthetic shares, those puts tend to have a far expiry date and it seems that a good part of those puts are expiring by the 16th of July and with it those fake shares will evaporate, This means that those greedy shorties need to find around 26.9M shares elsewhere, and with the new rules it is getting more difficult to recreate them and may need to buy them at the market! No dates, but the 16th of July may be interesting!!\*\***

Edit1 :Not financial advice in any shape, way, or form!!

Edit2: Some comments suggest that those contracts were probably sold by bulls when the price was below 10/20 usd. Well, I don't think so as the 0.50\$ contract for example reached the max price/volume on the 27th of January as you can see [here](<https://finance.yahoo.com/quote/GME210716P00000500?p=GME210716P00000500>). We all know what happened on the 27th Of January and what was the price back then!