

Title: Baskets of Fun!

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Body:

Good day,

Long before Criand et al's meme basket swaps DD masterpiece gained traction, I had noticed that headphone stock (K-O-S-S) had been tracking GME's crazy trading not only with uncanny precision, but with **even wonkier** numbers.

K-O-S-S briefly made some media waves alongside GME and popcorn stock in January, but has been largely absent from the media and retail investors' consciousness ever since. A glance at the K-O-S-S stock subreddit and the Yahoo Finance board for headphone stock confirms this assertion: **graveyards**.

However, headphone stock has remained on my stock watchlist since January, and I hold a position in it, although far smaller than GME.

I have broken down this deep dive into GME's little meme stock brother, K-O-S-S, into bite sized pieces.

1. January 2021 Trading

Headphone stock of course had an amazing January 2021, much like GME, surging from ***\$3.10*** on January 14, 2021 (volume of ***26,200***) to a high on January 26, 2021 of ***\$13.90*** (volume of ***34,562,700***), ***\$69.79*** (volume of ***25,073,500***) and on January 28 of ***\$127.45*** (volume of ***11,305,200***).

That is batshit crazy because, unlike GME, which had been steadily gaining retail and institutional interest since Ryan Cohen's buy-in in August 2020, K-O-S-S was essentially flying dark until its sudden surge in volume and price in mid January. It also "only" had a reported short interest of 35% at the time of its surge. And finally, K-O-S-S has no options trading, so it didn't even experience the benefit of a gamma ramp/gamma squeeze.

Here is a screencap of K-O-S-S's January trading numbers for some more context:

[Pulled from Yahoo Finance Historical Data](<https://preview.redd.it/dkkj9zhn54l71.png?width=902&format;=png&auto;=webp&s;=8990708a70b62896d9d89107c376dc5fb519aced>)

Look at that sudden surge in trading volume beginning January 25 out of nowhere: ***121,800*** to ***8,512,100*** to ***34,562,700*** over TWO trading days.

Somehow, despite the volume literally 69x-ing (nice) between Jan 22 and Jan 25, the share price only increased from an open on Jan 25 of ***\$3.65*** to a close of ***\$6.00***. Weird. When demand for something becomes 69x greater overnight, you would think the price of the asset would increase by more than 64%... Smells like hedge fund fuckery to me. In other words, no way this was **natural demand** from retail investors.

Okay, so we've established that K-O-S-S's January's trading was weird as fuck, even by meme stock standards, given the huge surge in price and volume of out nowhere on an unheralded microcap headphone stock (seriously, this thing had a market cap of like ***\$26 mil*** on January 4). It also had only a "modest" short interest of 35% (GME had 226% in mid-January, for reference). And, no options trading.

But it gets weirder.

2. The Micro Float.

[Pulled from Yahoo Finance Statistics](https://preview.redd.it/084yviad74l71.png?width=454&format=png&auto=webp&s=db924ca2c8c191bcdb2cfc3be2328b2725b1a69a)

Look at the size of the float! 4.55M shares?! And in January it was even smaller (I believe less than 3m shares) because K-O-S-S insiders unloaded a ton of shares in January during the price spike: https://www.cnbc.com/2021/02/04/koss-family-executives-cash-in-44-million-in-stock-during-short-squeeze-rally.html

So lets get this straight: a stock with a float of some 3M shares traded 11x its entire float (34M) in one trading day (Jan 26), when earlier in January its trading volume was in the 20,000s... and this was supposedly because of a retail-driven "short squeeze" on a 35% short interest, on a stock with only 8.67M shares outstanding? Sounds implausible to me.

But surely the massive volume in late January can be explained by the shorts closing out their ~3M shares shorted (8.67M x 0.35) and running for the exits right? Right?! The media told us so! And look, the reported short interest is now only 4.95% as of Aug 13, 2021! (see above picture).

Things surely must have gone back to normal after January, squeeze over, folks, phew!

****WRONG**.**

Lets look at the February, March and June trading numbers.

3. February and March Trading

[February - pulled from Yahoo Finance](https://preview.redd.it/8rcbpx36b4l71.png?width=897&format=png&auto=webp&s=5eb81872bf921e1c7b052bc67924fe2040ad82ce)

[March - pulled from Yahoo Finance](https://preview.redd.it/qkzyopd7b4l71.png?width=902&format=png&auto=webp&s=6c5061e71d7de74d1c17af2eef4ccc33ffd7ca5b)

Holy shit, headphone stock traded ****60,298,900**** shares on March 10??? That's ****THIRTEEN (13) TIMES** its float** in one day, on zero news, and on the same day that GME was rocketing to \$340+.

And all this insane volume came ****after**** the meme stock "short squeezes" supposedly happened in January. For reference on how insane this is, GME, at its peak volume on January 22, "only" traded about six (6) times its float.

Something more recent you ask? On June 2, headphone stock again traded over ****19,000,000 s****hares in one day, more than ****FOUR TIMES**** its entire float, again, on zero news.

And lets remember, all this insane volume since January is happening on a stock in the "meme basket" that has ****NO OPTIONS TRADING****, and very little retail investor interest or media attention. Seriously, check out the headphone stock subreddit. It has only 1.8k members, often with less than 10 online.

4. The "Meme Stock Basket" Floor

Much like GME, headphone stock has maintained a fairly stable share price floor of ~\$18 between its 3 price spikes in January, February/March, and June. It's post-January floor is about ****6x higher**** than its January 4, 2021 open (\$3.30), much like GME's roughly ****7.8x higher**** floor of \$150, as compared to its January 4, 2021 open of \$19.

<https://preview.redd.it/2v2egmi9e4l71.png?width=778&format=png&auto=webp&s=a2a8c0bc49c77f89bd8c8e512992e5930909a730>

<https://preview.redd.it/8r1w0uoae4l71.png?width=933&format=png&auto=webp&s=34a86b82cc31c21b3adc1ab7599298d79ea44de5>

5. Conclusion:

****The shorts didn't close jack shit with respect to their meme stock basket swaps in January.****

The post-January price spikes on K-O-S-S closely mirror that of GME, except with even crazier volume, and almost no retail interest. I *****speculate***** that this may be because the shorts are unable to hide their naked short positions using complex option chain schemes, as K-O-S-S does not have options trading available.

The two stocks also share a very similar looking price floor since January, in terms of the price ratios to their respective January 4, 2021 opening prices. You could maybe explain GME's failure to return to \$20, fast (lol Citron) after January's "squeeze" because of the diamond handed apes holding the stock with unprecedented disregard for the ****fundamentals**** of the stock, but you cannot make that same argument to explain K-O-S-S, because retail doesn't appear to give a shit about it.

Also let me repeat: ****K-O-S-S traded over 60M shares on March 10, with a float of only 4.55M. On zero news. The same day that GME was rocketing. Let that sink in.****

The piper must still be paid. Pay up.

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Please let me know if any of this has been previously debunked, or is just plain wrong. Not looking to spread misinformation. I'm looking forward to more discussion in the comments below!

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****This is not financial advice, do your own research and fact-checking, etc. Do not rely upon this post in any way for your financial decision making.****