Title: A DD on how SHF's are manipulating the art market, billionaires from all political sides and countries are colluding, and how the entertainment industry is becoming a propaganda machine against the poor. PART 1
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Edit: I have decided to delete part 2 of this DD. While, still an interesting read if nothing else, I don't think that the majority of the post was relevant to GME. If you are inclined to prefer reading more illuminati-esque research, I apologize for removing it from you. There is however, no lack of other conspriacy subs on Reddit. I strongly urge you that if those stories are something you are interested in reading, absolutely never meet up with someone from those subs, and do not click on the links they send you.

Part 3: https://www.reddit.com/r/DDintoGME/comments/oqpiha/a_dd_on_how_shf_are_manipulating_the_art_world_a/?utm_medium=android_app&utm;_source=share

My sources are in the comment section of Part 3.

I will post the relevant part of Part 2 at the bottom of Part 1.

TL;DR: The rich use art to launder money, build collateral, and pay off blackmail and bribes. Also, Steven Cohen is entering the Hollywood entertainment business by creating his own agency firm that has already attracted a lot of top Hollywood players. Buy and hold, love your loved ones.

This post is a batshit deep dive into a suspicion I have had that SHF managers are using manipulative practices in the world of art in order to receive collateral for loans to be used on short sale investments in the stock markets, evade taxes, and money laundering schemes, including washing funds paid out and/or received in situations of bribes and/or blackmail (as is tradition with the wealthy). What I found out goes even deeper than that.

This post will focus on Kenneth Griffin of Citadel Securities and Steven Cohen of Point72 (formerly of SAC).

I want to point out that none of this is financial advice, nor should it be taken as anything other than the ramblings of a hard working American citizen who is tired of the fabricated economy he is forced to live in.

Any comments made regarding those mentioned in this post are either completely plagiarized from other sources found on the internet, or my own personal beliefs and speculations. This is intended to be a diving board that I hope others will use to do their own research and due diligence.

I myself am highly speculative of my own writing, and have to put on a tinfoil helm, eat an entire box of crayons, and swim in a bottle of gin to even half-way comprehend what I wrote, and it's implications. What I thought was going to be a simple dive into the inner workings of high end art sales led me down a rabbit hole that involved Hollywood executives, Spanish police, China state sponsored real estate deals, World of Warcraft, Jeff Bezos, and the inner circle of Vladimir Putin. Edit: But I later removed those connections for the integrity of this subreddit and report.

Despite mentioning high profile people and politicians in this post, I want to reiterate that I in no way support or push any political agenda. What I support and push for is a free and open market that individual investors are allowed to make their own decisions in, without manipulation from billionaires and their political partners.

So here we go:

Kenneth Griffin and Steven Cohen were both directly involved in a newsmaking stock market frenzy involving GameStop, and other stocks the media has labeled as meme-stocks. Both billionaires have also placed record-breaking bids at art auctions, and boast extensive art collections.

Kenneth Griffin, the founder and majority owner of Citadel Securities, the company who contributed $2 billion to bail out Melvin Capital in its hour of need, is also one of the biggest names in the art world. The Chicago billionaire's private art collection is reportedly valued at above $2 billion. Griffin regularly loans out works to museums, including the Art Institute of Chicago. Amid the COVID-19 pandemic, he privately purchased Jean-Michel Basquiat's Boy and Dog in a Johnnypump for more than $100 million. Griffin also set the record for the most expensive private sale of art after a $500 million deal in late 2015. The Griffin collection includes works by Paul Cézanne, Jackson Pollock, and Njideka Akunyili Crosby.

We'll come back to Kenneth Griffin, but for now let's put him in a mayonnaise jar and leave him on a shelf, so that we can instead take a much needed closer look at Steven Cohen.

Steven Cohen is the founder of Point72. Point72 Asset Management is an American hedge fund with investments in Melvin Capital. It contributed $750 million to stabilize Melvin after a failed attempt to successfully short sell GameStop stock. With a net worth of over $14 billion, Cohen is no stranger to the high stakes of both the stock and art markets. He has amassed one of the most expensive private art collections in the world. Cohen owns works by Paul Gauguin, Vincent Van Gogh, Edvard Munch, and Willem de Kooning. In 2015, he bought Alberto Giacometti's L'homme au doigt sculpture for $141.3 million. This set a record for the most expensive sculpture sold at auction. The Cohen collection is now valued at over $1 billion.

Billionaire hedge fund manager Steven Cohen is known for owning one of the best private art collections in the world and for his many multimillion-dollar homes. However, he is perhaps best known for having been the subject of one of the government's most high-profile insider trading investigations. In 2013 Cohen's once-powerful firm, SAC Capital Advisors, pleaded guilty to a criminal indictment and paid a record $1.8 billion settlement.

Steven Cohen actually has some Hollywood-style controversy. There was a lawsuit by his ex-wife over child support and alimony, and one of Cohen's managers was sued for allegedly forcing a male subordinate into taking female hormones and cross-dressing at the office.

Back in the mid-1980s the SEC investigated him for insider trading in connection with RCA shares bought before General Electric acquired the company. Steven Cohen was never charged.

In July 2013, Preet Bharara, then the U.S. Attorney for the Southern District of New York, announced criminal charges against SAC for which it eventually pleaded guilty, saying the firm had become "a veritable magnet for market cheaters."

In a civil settlement with federal regulators in 2016, Steven Cohen, who was not criminally charged again, was barred for two years from managing outside funds.

Steve Cohen has used artworks from his $1 billion collection to back a personal loan from Morgan Stanley's Private Bank. In the past, Steven Cohen has used similar personal loans from Deutsche Bank and other Wall Street banks to finance and defray the cost of some of his big art purchases, which have included works by Jeff Koons, Damien Hirst, Alberto Giacometti and Pablo Picasso.

In 2014, Goldman Sachs provided Steven Cohen with a line of credit after Deutsche Bank decided not to continue a personal loan it made to him in 2009. Officials at Deutsche Bank pulled back on its business and personal ties to Steven Cohen after his former hedge fund, SAC Capital Advisors, agreed to plead guilty to the insider trading charges and pay $1.8 billion in penalties to the federal government.

Such loans are not unusual for wealthy buyers who seek to capitalize on the increased value of their artworks, without also having to part with its ownership. In such transactions, the borrower often even gets to keep the art on their wall. Banks typically lend about half of a work's appraised value. Steven Cohen's UCC statement does not specify the size of the loan he received, nor the collateral amount placed. The financing statement covers all of his "right, title, and interest in…all Artwork Collateral Pieces", without stating any specific works.

This might be a good time to step back and shine a light on art as a commodity and what drives its price upwards.

Two significant changes at the end of the 20th century set the stage for today's inflated contemporary art market. The first was the expansion of the base of potential buyers: The fall of communism in Eastern Europe and economic liberalization in countries like China and India created a new wave of billionaires eager to flaunt their wealth.

In China, which has consistently ranked among the top three largest art markets by value since 2009, demand has also been boosted by a government-sponsored museum-building boom. Over 1,000 new museums, a combination of state-run and private institutions, have opened in the past decade. As of 2017, there were approximately 200 privately owned museums devoted to contemporary art.

Crucially, building private museums serves not only as a status symbol for the country's elite, but a means of gaining state approval for lucrative real estate development deals. What was once a niche trade overwhelmingly based in the United States and Western Europe has expanded into a global industry bound up with luxury, fashion, and celebrities, attracting an expanded range of ultra-wealthy buyers who aggressively compete for works by brand-name artists. As contemporary art is increasingly viewed as an asset class, (alongside equities, bonds, and real estate) artworks are often used as a vehicle to hide or launder money, and artists are encouraged to churn out works as quickly as possible in market-approved styles to be used as such.

The second major change was the shift away from Old Masters and Impressionists as the core of the auction business. Historically, selling contemporary art had been the province of galleries and private dealers, work of living artists went to auction only infrequently. But major art auction houses, Sotheby's and Christie's, recognized that promoting the contemporary market could open up vast new revenue streams. They began to function more like luxury brands. Christie's was in fact purchased in 1998 by Francois Pinault, the owner of the European luxury retail conglomerate Kering whose brands include Gucci, Saint Laurent, and Balenciaga. The auction houses began aggressively hyping a never-ending flow of new inventory, and with it, a jet-set lifestyle of multi-million dollar auctions, exclusive gallery dinners, and VIP art fair vernissages.

Auction houses also began to expand into financial services for their clients, offering collectors lines of credit, allowing them to borrow against the value of their collections, and sometimes selling works with third-party guarantees, in which the house effectively pre-sells a lot before the auction and may split some share of the proceeds with the guarantor if it ultimately goes for more than the agreed-upon price. The result is that the prices for contemporary art has risen higher and higher, which in turn attracts new buyers, many of them drawn in by the money alone.

The notoriously secretive art business, coupled with lax regulatory oversight, has enabled vast sums of money to change hands without public scrutiny. There have been a number of high profile scandals involving money laundering, stolen property, and shady self-dealing. There is, for instance, the so-called "Bouvier Affair," a legal dispute between the Russian oligarch Dmitry Rybolovlev and the Swiss "Freeport King" Yves Bouvier, the owner of an art shipping and storage empire, which is still unfolding in multiple international jurisdictions

Yet the most troubling examples of the exploitation of art for financial gain are perfectly legal. Collectors and their agents have continually found creative ways to use their art holdings to defer paying taxes, including the establishment of private museums and foundations, storing artworks in offshore freeports where they can be exchanged without incurring customs duties or VAT, and loopholes in the tax code such as "like-kind" exchanges. Originally set up in the 1920s to aid farmers by enabling them to defer taxes on livestock trades, "like-kind exchanges" are now regularly invoked by art collectors in order to avoid paying taxes on the sale of artworks. So long as a collector uses the proceeds of the sale of one work to purchase another within 180 days, the tax obligation can be perpetually kicked down the road forever.

The question of where the money comes from and where it ultimately goes is only a passing concern in the art trade. It's no coincidence that the world's most prominent art collectors include Poju Zabludowicz, whose family fortune has its origins in arms dealing, and hedge fund founder Daniel Och, whose firm paid millions of dollars in bribes to government officials in several African countries in exchange for mining rights. No doubt they'd rather be remembered for their patronage of the arts than for profiteering off human misery.

Art auctions often make headlines for their seemingly illogical prices, and critics are adamant at not knowing what compels art collectors to pay six figures for a banana taped to a wall. Based on results from two of the largest art auction houses, Christie's and Sotheby's, the accuracy of human art appraisals only average at about 37% to 41%. A.I. predictions are about the same. For the majority of artwork, even experts' price predictions were disappointingly inaccurate.

Now take into consideration how art is an attractive vehicle to launder money. Transactions are often private, and prices can be subjective and manipulated, as well as extremely high. Artwork can also be easily hidden and transported.

Once purchased, the art can disappear from view for years, even decades. A lot of the art bought at auctions goes to freeports, ultra-secure warehouses for the collections of billionaires, ranging from Picassos and gold to vintage Ferraris and fine wine. The freeports, which exist in Switzerland, Luxembourg and Singapore, offer a variety of tax advantages because the goods stored in them are technically in transit, meaning they don't incur tax fees. The freeport near the Geneva airport alone is thought to hold $100 billion of art.

Once inside the freeport, the art can be sold privately and anonymously to other buyers. The art never even needs to leave the warehouse after the private sale is completed.

Further, other traditional vehicles for laundering money have become less attractive, thereby driving those who need a mechanism to launder large sums into the arms of the art world.

Okay, so now that the art history lesson is over, let's get back to Steven Cohen.

In 2016, Steven Cohen sold an Andy Warhol portrait of Mao Zedong for more than $47 million, or nearly three times the $17 million he paid for it in 2006, and 40 times its last public auction price, which was in 1996. Cohen bought this particular Mao painting in a private transaction from Francois Pinault, the billionaire owner of Christie's. It's unclear how much Cohen paid for the Warhol and Fontana. Steven Cohen regularly sells pieces from his collection, both privately and at auction, and buys new ones, according to dealers and advisers.

In 2006, he was very close to making the most expensive art purchase in history at the time, offering Steve Wynn $139 million for Picasso's "Le Reve". Just a few days before the painting was to be transported to Steven Cohen, Steve Wynn, disgraced casino mogul, accidentally made damage to the painting, thrusting his elbow through it, which made Steven Cohen refuse the purchase. The painting is, however, in Steven Cohen's possession today, as less than two weeks after SAC's settlement with the SEC, Steven Cohen bought Picasso's damaged “Le Reve” for $155 million from Steve Wynn.

Steven Cohen's approach, setting records as a buyer and seller with a changing taste, is fairly new in the collecting world. Traditionally, collectors spent decades building their holdings with a mix of superior and mediocre works, and they rarely sold. Steven Cohen's style of collecting is different. Steven Cohen's Jean Dubuffet painting “Paris Polka” sold for $24.8 million at Christie's, more than three times the artist's previous auction record of $7.4 million set six months earlier. Steven Cohen's Franz Kline canvas, “King Oliver", sold for $26.5 million, also at Christie's in New York, the second-highest price for the Abstract Expressionist painter.

The owner of Point 72 Asset Management, a family office that managed about $11 billion in 2013, consigned a group of seven paintings to Sotheby's. They tallied a price tag of at least $77 million, led by Gerhard Richter's 1986 abstract painting “A.B. Courbet" that listed for $26.5 million alone.

Steven Cohen's major art advisers are dealers and gallery owners William Acquavella and Larry Gagosian; the latter also advises David Geffen. And one of Steven Cohen's prized acquisitions is an iconic Jackson Pollock drip painting, which he purchased from David Geffen for $52 million. In 2006, he bought a pair of David Geffen’s Willem de Koonings: Police Gazette for $63.5 million and Woman III for $137.5 million.

EDIT: This is where I removed a major chunk of the DD. It involved tying Kenneth Griffin and Steven Cohen to a lot of high profile people, if you want to know exactly who, it was pretty much every main actor of any and all recent conspriacy theories you might have heard.

Remember how Steven Cohen had some Hollywood style controversies? Well now, Steven Cohen’s name is being thrust into the Hollywood limelight.

During September if 2020, as the Covid-19 pandemic devastated the bank accounts of millions of people, Steven Cohen’s Connecticut-based venture fund, Point72 Ventures, quietly announced that it is helping to bankroll a new Los Angeles-based management and production firm, Range Media Partners. The company will be run by a cadre of agents from the big three agencies, CAA, WME and UTA, and aims to upend the representation business in Hollywood.

Steven Cohen, described as leading investor, will be joined by former New York Knicks Coach David Fizdale, former Microsoft CMO Mich Mathews-Spradlin, and Grubhub founder and CEO Matt Maloney, according to a statement from Range.

“The company is committed to providing equity to all founding staff, at every level, and recruiting and representing a diverse group of perspectives and background,” the statement said. “As a company deeply invested in the well-being of its employees, Range Media Partners will establish a broad-based ownership of the success of the company from day one.”

In a 20-page pitch deck to investors reviewed by The Times, the fledgling agency, initially dubbed Moxie Media, heralded itself as “the next revolution in media.”

Proclaiming further that the equity value in the major agencies is in “free fall,” the pitch went on to declare that “there has never been a better time to recruit high end representatives away from their current incumbent. We have never seen more high-end representatives ready to leave these institutions.”

Range Media, led by former CAA agent Peter Micelli, who most recently headed up strategy at production company Entertainment One, has already brought a dozen top names including CAA’s Dave Bugliari, Michael Cooper, WME’s Rich Cook and UTA’s Susie Fox, Chelsea McKinnies on board.

As unveiled in its prospectus, Range’s business model is to create companies around celebrities in the mold of Reese Witherspoon’s Hello Sunshine, whereby Range Media would own one-third, the celebrity another third, and a third-party investor raising $5 million to $7 million per star would take the remaining third.

The company also plans to generate revenue by offering in-house production services. As described in the pitch, “Unlocking the power of content creation to turn celebrities into curators. This will in turn create massive opportunities to drive direct to consumer businesses in a post Covid-19 world.”

Until now, Point72 has maintained four areas of focus: artificial intelligence, financial services, enterprise technology, and healthcare.

And now they are branching into entertainment. If you think the hedge fund controlled media is bad now, wait until every movie you watch, every song that you hear, and every video game that you play, is all pushing the same propaganda agenda for the billionaire class.

“Range is clearly trying to position itself as a one-stop shopping center where celebrities can have both management representation and financing for these expanded entities,” said Lindsay Conner, partner at Manatt, Phelps & Phillips. “It reflects how big these agencies and management enterprises have become and also reflects the perception of private equity that there is value to be had beyond the classic commissions that agents and managers have been receiving for over a century.”

It is my personal belief that Steven Cohen's intent to start this firm is to have a stronger control and influence over not just the media, but the pop culture as well. Imagine how much more an art work would sell for if it was a predominant centerpiece in a major motion picture, for example. As you will find out more in part 3, I believe it also plays into his plan to increase the price of collectable items, including video games, in the same way he would use it to increase the price of his art. If Steven Cohen had got his way and had unbridled access to the physical video game market, and then produced a movie featuring characters such as Super Mario, it would drastically increase the demand for those physical games.