

Title: Help me understand one thing about shorting, please...

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Very smooth brain here..

When you buy shares of a company, you are investing YOUR money in a company, that you believe will succeed in the future.

If shorting IS A BET that in the future the stock of a company will decrease in price, but as soon as the short seller sells shares, it immediately INFLUENCES the price downturn, then this is NO LONGER A BET, it's a price manipulation.

When you buy shares, you influence the price, but for this you give your money.

When short sellers sell shares they don't own, they influence the price, but they give away nothing out of their own pocket.

- You have your capital
- You invest it in the company
- Your investment raises the stock price by +x.xx%
- Short seller borrows all your shares and sells them, lowering the price by the same x.xx%

It turns out that you gave your money to the short seller without affecting the price of the stock.

Am I wrong somewhere?

If not, then how is such a manipulative and fraudy practice even approved these days?

GameStop (for the automod...)