Title: u/-einfachman- this, just this. Thanks and keep DRS-ing
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Ergo, the walls are closing in on them. As critical margi levels get lower and lower, the price needs to keep dropping, but they can't have it drop to the critical float lock level, lest they accelerate their demise. If SHFs were never capable of getting margin called, why not stop wasting money suppressing the price for a bit and let natural price discovery take GME to, say, $5,000? That way, the float will never get locked because it's too expensive for Apes to lock, and SHFs never have to close their positions anyway, because they'll never get margin called. So, they can continue hiding their losses via swaps, keep their balance sheets nice and clean, and call it a win...right? Wrong. Because SHFs have always been at risk of getting margin called and liquidated. If they ever get to the point where their "core" margin requirements cannot be fulfilled, they will get liquidated. It doesn't matter whether the special additional charge (ECP charge) gets waived. They're still obligated to fulfill their "core" margin requirements, lest they end up like Lehman in 2008.