

Title: State of the Dip #2a - How are dips and rips affecting estimated DRS'd shares?

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Sup Apes?

In my post about "[How is the probability of another monster dip? What are the determining factors for price movements and vice versa what do price movements cause?]([https://www.reddit.com/r/DDintoGME/comments/vjlswr/state\\_of\\_the\\_dip\\_1\\_how\\_is\\_the\\_probability\\_of/](https://www.reddit.com/r/DDintoGME/comments/vjlswr/state_of_the_dip_1_how_is_the_probability_of/))" with the hypothesis "\*\*\*GameStop share price will be below \$77 caused by GDP slowing and liquidity drying up\*\*", I also talked about that "[t]he slope of "Total DRS Estimates" increases significantly after the dip in March, May and January as can be seen on [<https://www.computershared.net/>](<https://www.computershared.net/>)".

This post now should give a glimpse on what dips and rips actually do cause. However, this is not proper statistic work and should only be seen as \*\*rough estimates\*\*. Especially since I am building on the data of [[computershared.net](https://www.computershared.net/)](<https://www.computershared.net/>) which contains estimates by itself (esp. the trimmed avg.).

**\*\*TL;DR:\*\***

\* >!All else equal DRS might pick up by a factor of 2-4 during the next dip (around \$70-\$90) leading to daily estimated DRS volume rising from 20-35k to 50-90k shares/day.!<

\* >!Opinion: Hedgies are fukd because if they lower the price Apes accelerate their DRSing, if they raise the price they risk causing FOMO also from none Apes, esp. during times were other stocks are down hard.!<

**\*\*Findings:\*\***

\* After Dips Apes have DRS'd 3x (about 2-4x) the amount of shares in comparison to after / during Rips. In "rip" timeframes Apes DRS about \*\*20-35k shares/day\*\* while during "dip" timeframes Apes DRS about \*\*50-90k shares/day\*\* (varying for the dips/rips).

<https://preview.redd.it/iq4sar6n4r891.png?width=836&format;=png&auto;=webp&s;=59bef4a7acd85638a4c56e80e5d4097c1a4dd655>

\* There is a positive correlation between Price and "Day+4 (DRS) growth" (0.24). Interpretation: When the price rises after a dip, DRS'd shares rise.

\* There is a significant positive correlation between Volume and "Day+9 (DRS) growth" (0.45).

Interpretation: High volume days almost certainly lead to a peak in DRS'd shares over the next 9 days.

\* There is a positive correlation between Volume and "Daily Price Delta" (0.35). Interpretation: with high changes in price (regardless if dip or rip) there comes higher volume.

**\*\*Data used for the dataset:\*\***

\* Daily low, Daily Volume: were taken from [<https://chartexchange.com/symbol/nyse-gme/historical>](<https://chartexchange.com/symbol/nyse-gme/historical>) \[as of June 27\]

\* Daily Price Delta: the % difference in price regarding the day before (ignoring algebraic sign)

\* Daily Price Delta in regards to 14d mean: Daily low divided by the arithmetic mean of the previous 14 days

\* Estimate w trimmed mean: was taken from [<https://5o7q0683ig.execute-api.us-west-2.amazonaws.com/prod/computershared/dashboard/charts>](<https://5o7q0683ig.execute-api.us-west-2.amazonaws.com/prod/computershared/dashboard/charts>) \[as of June 27\] (thanks to u/jonpro3, see [[https://www.reddit.com/user/jonpro03/comments/v3iyt4/how\\_does\\_computersharednet\\_work/](https://www.reddit.com/user/jonpro03/comments/v3iyt4/how_does_computersharednet_work/)])([https://www.reddit.com/user/jonpro03/comments/v3iyt4/how\\_does\\_computersharednet\\_work/](https://www.reddit.com/user/jonpro03/comments/v3iyt4/how_does_computersharednet_work/)))

\* Daily DRS Volume: the absolute difference between "Estimate w trimmed mean" to the day before

\* Day+4,+9,+19 growth: the sum of the "Estimate w trimmed mean" as of this date as well as the next 4, 9, 19 days to better illustrate

#### **\*\*Assumptions:\*\***

\* Growth in estimated DRS'd shares follows an repeating timely pattern and there will be visible peaks around such timely patterns visible by a peak of DRS'd shares over the next 4, 9 or 19 days. This includes the timeframe from buying (and DRSing from a broker) to posting.

\* As I found that the time DRS picked up varies between each dip/rip I kind of manually assigned each dip/rip timeframe on the price side (left) and on the DRS volume side (right). I assumed that a dip is when the price relative to the 14d mean price is roughly around or below  $\sim 90\%$  and that the relating DRS volume is around or slightly after this timeframe and is defined by an up rise in "Daily DRS volume".

\* The timeframe for analysis started December 2021, since DRS before is assumed to be unrelated to price movements (first batches).

#### **\*\*Limitations:\*\***

\* I used my magic 8-ball for a lot... maybe some of you want to do a proper analysis with more time?

\* The definition of DIP/RIP timeframes is not simplified and not properly done. I more or less used some crayons and just let them drop where the colors looked nice.

<https://preview.redd.it/zglesyahvq891.png?width=1076&format=png&auto=webp&s=ac59520b5eb7e8bbdf681ded005cd85d2052c172>

Happy to provide the dataset. Let me know what you think in the comments. The time I used for this was very limited, so please check for failures. And as said before, don't rely on this data or results.