

Title: I Give to You the Stupidest DD in the News Today

Author: Malthias-313

Created 2022-01-19 15:10:24 UTC

Permalink: /r/GME/comments/s7s7v8/i_give_to_you_the_stupidest_dd_in_the_news_today/

Url:

https://www.reddit.com/r/GME/comments/s7s7v8/i_give_to_you_the_stupidest_dd_in_the_news_today/

I literally laughed out loud reading this "news" article today. I made the laughable segments bold below. Finally, I found someone more retarded than I am! You simply can't argue these points lol

****DJ Why the Microsoft-Activision Merger Is Bad News for GameStop -- Barrons.com**9:10 AM ET 1/19/22 | Dow Jones**** Ben Levisohn**

"On Tuesday, GameStop stock fell to its lowest level since February after Microsoft announced a deal to acquire videogame maker Activision Blizzard. It's fast approaching a level that could mean more losses ahead.

GameStop stock fell 6.6% on Tuesday after Microsoft announced plans to purchase Activision Blizzard, the maker of Call of Duty among other videogame hits. It's not hard to see why. As Jefferies analyst Stephanie Wissink notes, ****GameStop sells products by both companies, so would lose bargaining power with the combined company******. Microsoft, meanwhile, could make Activision games available only for the Xbox, which would likely reduce the sales of games overall.**

The biggest, problem, though, is that ****the acquisition would likely speed up the shift from physical games to digital ones****, and that's something GameStop doesn't have a plan for just yet. "Microsoft intention to acquire Activision is a game changer in our view," writes Wissink, who cut her price target on GameStop to \$100 from \$140.

Wissink is no GameStop bear. While she has a Hold rating on the stock, she has taken the stock's to rally seriously. Her target was as high as \$190 in June, but she cut it to \$145 earlier in January, and then \$100. The other two analysts still covering the stock have targets at \$45 and \$23. But she also recognizes that GameStop doesn't really seem to have a plan just yet. "We once again are forced to rethink our valuation assumptions, having cut recently due to lack of visibility into strategy, positioning and performance," she writes.

That \$100 should serve as a line in the sand for the stock. Tuesday's decline took GameStop stock to \$108.91, its lowest close since Feb. 26, when it closed at \$101.74. A lot of trading occurs around round numbers, so it wouldn't be surprising if the \$100 level becomes a battleground for investors. With shares up 2.5% to \$111.65 in premarket trading, that won't happen today.

****But it breaks, there's nowhere to go but down**.**"

Write to Ben Levisohn at ben.levisohn@barrons.com

\> Dow Jones Newswires

January 19, 2022 09:10 ET (14:10 GMT)

Copyright (c) 2022 Dow Jones & Company, Inc.