

Title: Not FUD: Help me understand.... Melvin margin call, liquidation of some stocks, dark pools

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Created 2022-02-03 07:20:57 UTC

Permalink: /r/GME/comments/sjczcj/not_fud_help_me_understand_melvin_margin_call/

Url: https://www.reddit.com/r/GME/comments/sjczcj/not_fud_help_me_understand_melvin_margin_call/

OK, so lets assume Melvin has had a margin call - thats been proposed here and elsewhere. My understanding is that means that they needed to liquidate some of their other assets to pay the margin on their GME trades?

This was done after hours, hence the drop in equities like Meta and Spotify.

The underlying assumption is that this then will cause GME to spike - is that because they have to buy the shares to close their positions in GME?

The last bit I can't get, because whats to stop them from doing this in the dark pool, which means there is limited impact to the share price, or whats to stop them from closing their positions after hours, and doing like we saw in early Jan, with the AH fuckery that took the sp all the way to ~\$175 before it got smashed right back down again?

Genuinely trying to get my head around this, but it hasn't stopped me transferring what should hopefully be enough cash for 6 more shares at market open.