

Title: Superstonk, we have a problem

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#### Linked Post Content:

Folks who know me know I am the DD writer who all of the DRS enthusiasts love to hate. In the past I have written DD on the continuous net settlement system (CNS) within the DTC

([\[here\]\(https://www.reddit.com/r/Superstonk/comments/pk1g5d/t69/\)](https://www.reddit.com/r/Superstonk/comments/pk1g5d/t69/)), how options are being used to manipulate the stock

([\[here\]\(https://www.reddit.com/r/Superstonk/comments/s13qbp/state\\_of\\_the\\_dip\\_jan\\_10\\_22/\)](https://www.reddit.com/r/Superstonk/comments/s13qbp/state_of_the_dip_jan_10_22/), [\[here\]\(https://www.reddit.com/r/Superstonk/comments/snzn04/it\\_takes\\_money\\_to\\_buy\\_whisky\\_distilling\\_gmes/\)](https://www.reddit.com/r/Superstonk/comments/snzn04/it_takes_money_to_buy_whisky_distilling_gmes/), and

[\[here\]\(https://www.reddit.com/r/Superstonk/comments/t20ims/it\\_takes\\_money\\_to\\_buy\\_options\\_distilling\\_gmes/\)](https://www.reddit.com/r/Superstonk/comments/t20ims/it_takes_money_to_buy_options_distilling_gmes/)), I have dispelled longstanding myths about max pain ([\[here\]\(https://www.reddit.com/r/Superstonk/comments/t39g2x/max\\_pain\\_a\\_story\\_of\\_a\\_dog\\_and\\_his\\_tail/\)](https://www.reddit.com/r/Superstonk/comments/t39g2x/max_pain_a_story_of_a_dog_and_his_tail/)), and I have provided evidence that power law swaps have been and continue to be used by shorts to hide their position

([\[here\]\(https://www.reddit.com/r/Superstonk/comments/t878i5/lets\\_all\\_dance\\_the\\_melvin\\_superswap/\)](https://www.reddit.com/r/Superstonk/comments/t878i5/lets_all_dance_the_melvin_superswap/)).

By far, the most engagement I have received about all of these DDs are folks that are angry that I am not pro-DRS. It is this extreme fervor surrounding the DRS movement on this sub that I am addressing in this post.

To be clear, I am not anti-DRS. I do not think it is going to ultimately be harmful to the MOASS thesis. I am largely ambivalent to DRS because I remain unconvinced that DRS-ing the float will do any of the things that are being widely claimed on the sub (largely with no primary sources to support those claims).

Because I do not see a clear theory of how DRS will help cause MOASS, I am concerned with those who are selling their shares to open a position at Computershare, which provides liquidity to the CNS (allowing them to roll more FTDs for longer), as well as those who are expending capital to move shares to DRS that could otherwise have been deployed on securities, but I do not think those concerns are large enough to really move the needle either way.

What I do think will ultimately decide the fate of the Ape movement and Superstonk more specifically are the following observations:

1. Superstonk has become increasingly ritualistic (posting DRS positions, repeating key phrases, fixating on key symbols).
2. Superstonk has increasingly fallen prey to the illusory truth effect, which is the tendency to believe false information through repeated exposure.
3. Superstonk has become increasingly intolerant of the critical evaluation of theories and any discussion about that criticism.
4. Superstonk is increasingly resorting to fear, uncertainty, and doubt to aggressively pressure members to DRS their shares.

And I believe (but cannot say for sure) that observations 1-4 are leading to observation number 5:

5. Sub engagement has declined significantly since the start of observations 1-4.

This last point is critical. Given that the sub has now created the idea that the fastest, most probable way to MOASS is by DRSing 100% of the float, we have created what I believe to be the inevitable death of this sub. Allow me to explain using a graphic.

[DRS or Death? The race is on.](<https://preview.redd.it/0lt5d30h4to81.jpg?width=1292&format=jpg&auto=webp&s=7aacde5fb77dcb8a34876d7188728a124df8e789>)

In this graph, I have plotted a logarithmic fit to the number of shares DRSeD since Nov 20, 2021 using the trimmed average data from computershared dot net. At our current trend, it is anticipated that the retail

float of roughly 35,000,000 will be locked up somewhere around November 2027, or six years from the start of the DRS movement. Further, to lock up the entire shares outstanding minus insider shares will take 20 years. Locking up all shares outstanding will take 30 years. Additionally, plotted in green are the number of daily comments on the sub over time. This data was fit with 3 different fits to get a sense of when the daily comments will drop to below 100 a day, when I consider the sub "mostly dead" (it would correspond to about a dozen active users a day). The linear decay is the most aggressive and is probably too aggressive. It predicts the sub will become dormant in about 4 months time. The exponential decay (which had the best fit) predicts the sub will become dormant in about 2.5 years. I threw the power law on there just to be fair to the power law fit on the DRS shares (the quality of the fit was fairly low), and it predicts we will decay much slower, to about 4,000 daily comments after 30 years. To try to determine which fit is the most likely, I looked at the comments per day for another social phenomenon, the subreddit for Tiger King, and found that the exponential function was the best fit with  $R^2 = 0.9688$ , compared to  $R^2 = 0.68$  for linear, and  $R^2 = 0.47$  for power law fit.

[Number of daily comments on the subreddit for Tiger King over time](https://preview.redd.it/tbcsh9n35to81.jpg?width=607&format=jpg&auto=webp&s=3c7767073dd622a8a63a86667e3ffab16940d369)

**\*\*So if nothing changes we can expect this sub to survive for 1-2 more years at it's current rate, with only roughly 23,000,000 shares DRSeD before the sub goes dormant.\*\***

Clearly our current course is not likely to succeed without expanding the ape movement to be more inclusive of new investors and more tolerant of personal decisions those investors make about their finances. We must return to the mantra that "we just like the stock." We must stop attempting to pressure members of the sub to do certain things through fear, uncertainty, and doubt. We must stop our myopic obsession with DRS at the expense of all else. And we **MUST** remain skeptical and critical of anyone who attempts to sell a certain strategy with 100% certainty, especially for a system as complicated as the securities market. We must be humble and remember Ape vote, cycle theory, bastille day, and all of the other theories we were convinced would bring about MOASS that were wrong, and apply that same humility to the DRS thesis.

If we want to go back to a time when we enjoyed much larger engagement, we must return to the time when we "just liked the stock." I recognize I'm going to get a lot of pushback for this post, but I do write this post because I have spent a lot of time on this sub and I hope that it continues to thrive. But I can't make these changes myself. It must come from the entire community.

Edit: Noice.

<https://preview.redd.it/hk3piduqzuo81.jpg?width=1060&format=jpg&auto=webp&s=04d15acd3dbaf655efeb959570b99c263a3b6703>