

Swaps are the critical piece of this whole puzzle. If you understand how this works, the rest of this post will make a lot more sense. Huge credit to [u/Blanderson_Snooper](https://www.reddit.com/u/Blanderson_Snooper/) for their DD on swaps. Go read the whole thing [HERE](https://www.reddit.com/r/Superstonk/comments/ojh2eh/ultimate_wargame_theory_the_beginning_total/). He is talking about slightly different swaps, but the concepts and how they are leveraged applies.

Here is what I think happened sometime in 2017 Q1: Ken Griffin walked into a bank and the following conversation happened:

<https://preview.redd.it/kuf9sbv8gk891.jpg?width=1280&format=jpg&auto=webp&s=266f337f47452b21e5f472e9ddc8b9fdf7fb0d6a>

Sr. Banker: Welcome Ken, good to see you.

Ken: Likewise. If you don't mind, I'm a busy man, let's get down to business.

Sr. Banker: Sounds good. What do you have in mind today?

Ken: I have a million shares of MEME STOCK worth about \$32M I'd love you swap with you.

Sr. Banker: Interesting, what were you looking to swap from our portfolio?

Ken: I'm interested in GME today, you have more than \$32M of that on your books I believe, it's about 1.4 million shares.

Sr. Banker: GME? Again? Under what terms?

Ken: Same as before. We swap the shares worth a total of \$32M, I'll pay you Libor plus two percent. If GME moons, I'll cover the difference.

Sr. Banker: (Laughing) And let me guess, if GME tanks I'm on the hook?

Ken: That's right, just like the BlackFruit and Beds deals we did end of 2015 and last Spring.

Sr. Banker: Sounds good to me. I presume you have the paperwork all drawn up?

Ken: Right here.

After reviewing and signing the documents Ken shakes the Bankers' hands and departs the conference room.

Sr. Banker to Jr Banker: Go short GME. If I know Ken, he's about to obliterate it and there's no way I'm losing money on this deal.

Jr. Banker: I'm on it. What happens if GME goes up? If Ken doesn't hedge his position we can get stiffed when Citadel blows up.

Sr. Banker: Don't worry. It's Ken Griffin, he knows what he's doing.

Ken probably did this multiple times with multiple banks just like our buddy Mr. B as shown in the Big Short. Just like our recently bankrupt friends at [Archegos](https://en.wikipedia.org/wiki/Archegos_Capital_Management) did to get margin and large positions in a select few companies.

It also conveniently creates an insane number of synthetic shares. The 1,400,000 GME shares swapped in the example above are now synthetic and will be sold by Ken. They are still technically listed under Institutional Owners with the SEC. It gets worse. The Bank also opened a short position covering their 1,400,000 GME share exposure to Ken. That's 2,800,000 shares shorted from thin air, which should still be tucked away safely in the Bank's holdings, from a single meeting, with no record.

PART 2: The numbers

During the dramatic telling of the now infamous swap meeting(s), I intentionally used \$32M and the specific dates. Go back and take a quick look. These dates and numbers are going to be important.

Tighten your tinfoil moon helmet, time to enter the rabbit hole....

Our first stop is a high level view at Citadel's holdings of the "meme" securities Don't worry HEADPHONES will be covered further down. Let's just say it's a little....different.

Using this super handy site <https://13f.info/> I pulled Citadel's 13F quarterly holdings for each security from Q1 2015 until Q4 2020. These are positions, not gains/losses. Positive means they are net long on that security that quarter. Negative means they are net short that security that quarter. Net position = Shares + Calls - Puts

<https://preview.redd.it/dkw4yrncgk891.png?width=1422&format=png&auto=webp&s=4b1c232628d90bb771c7dbb4141498cef61ca98f>

What the hell are we looking at! That's a lot of numbers and shading! The green means long, red is short. Darker the color, the higher the value. Its fascinating to see how they transition into and out of positions. Take note of ****\$32,349,000** MEME STOCK position in **Q1 2017**** and the corresponding GME position.

See any patterns when compared to our story?

Here is the stock price calculated from the 13F over the same timeframe. The yellow corresponds to each local peak Citadel position greater than \$10M, the peach cells are local peaks less than \$10M:

<https://preview.redd.it/151poe7egk891.png?width=1340&format=png&auto=webp&s=6b9a38d09fbb3e8fa3301ea344736f9e57655660>

The first take away is the shocking consistency a large position is immediately followed by a drop in position and share price. The biggest positions are followed by Citadel transitioning to a short. I wish I could always sell huge positions at the peak, must be nice to control the price.

But that's not the scariest part of this chart. Enter HEADPHONES:

<https://preview.redd.it/1pdcfesfgk891.png?width=1596&format=png&auto=webp&s=17361b5297d753269bba8dfc54ab1ba169d63bf6>

<https://preview.redd.it/1orzi6bhgk891.png?width=1560&format=png&auto=webp&s=57f9a1584441177b4f12f47e13fb6ed74d528909>

WTF!? Why is a hedge fund worth \$400B taking out \$29k positions in essentially a family business? And the timing is super suspect.

Is that tinfoil moon hat still tight?

It takes big positions to destroy companies. We aren't talking about a pump and dump, turning a buck with a brief short, or fractions of pennies from billions of transactions. We are talking about total and complete destruction of companies.

<https://preview.redd.it/9jncu5tigk891.jpg?width=1472&format=pjpg&auto=webp&s=157fd73f481afc655c1859afd6492c24a9f3aa6c>

Doing this takes multiple big positions in the swapped security(s), the receiving security(s) and leverage. Looking at the peak positions on a quarterly basis, there is a pattern.

Of the 24 quarters between Q1 2015 and Q4 2020, only the six quarters with a HEADPHONES position have three or more securities at local peaks. In other words, HEADPHONES and a pair or more of securities are all local peaks prime for a swap. The other 18* quarters appear to be repositioning quarters.

*2018 Q1 has three securities without a HEADPHONES if you include MEME STOCK \$7.5M position. This is a small position therefore I'm taking liberty to ignore it since there is no HEADPHONES position. 2015 Q1 with a HEADPHONES position includes a \$5.1M Blackfruit position to be 3 peaks in the quarter. Yes, my theory is a little inconsistent, but that is not evidence against my theory. There aren't rules for Ken to follow here.

Here are what I believe are the swaps:

<https://preview.redd.it/cu1fn4nkgk891.jpg?width=1596&format=pjpg&auto=webp&s=b1c3f1a16755d7dc92e855fca1483e468ca6c828>

Why is HEADPHONES involved? No clue. Why is it such a small position? Im too smooth brained. I do know something is suspect as hell and I think its a remnant, a trace, of something far bigger.

Theories: Used to "true up" one side of the swap? Quick liquidity - small cap stock with big spread?

Gut check. Does all this madness make sense in the lens of Citadel? Does this theory, and these numbers, produce insane returns for them?

- * First, building up a big position and selling at the top is always profitable.
- * Second, selling all of those swapped GME shares and buying them back for pennies, literally.
- * Third, if GME Market Cap drops relative to MEME STOCK MC the Bank must pay to equalize swap. Remember the Bank is also short GME which causes the Bank to owe even more to Citadel.
- * Fourth, all the benefits of cellar boxing a company. No taxes, never buying back the shorted securities, etc.

By the way, if you don't know what cellar boxing is. Go here: [half way down this link](https://old.reddit.com/r/Superstonk/comments/pmj9yk/i_found_the_entire_naked_shorting_game_plan/)

Ok, it certainly aligns with their clearly stated company objectives. It explains huge quantities of synthetic shares. But it doesn't explain the sneeze. Someone or something must have messed up their game.

Here are positions from 2021:

<https://preview.redd.it/u8p41zfugk891.png?width=1344&format;=png&auto;=webp&s;=122f6ffe2592cee6a4e9d61b3f71ee84c2c6d979>

PART 3: RC has entered the chat

Part 2 looks at this saga from the view of Citadel, let's look at this from RC's perspective. Let's assume RC has done way smarter analysis than me and discovered the swaps outlined in Part 2. How can we test this theory?

Remember our swap thesis? If GME Market Cap is larger than MEME STOCK MC, Citadel owes money, I will refer to this status as "triggered," and the other status is "intact." Lets pull the Market Cap numbers and see what we find:

MEME STOCK MC - GME MC so positive delta is INTACT swap, negative delta is TRIGGERED swap:

<https://preview.redd.it/wl611pawgk891.jpg?width=1636&format;=jpg&auto;=webp&s;=75719cb143eb0041e9c34439795b949cb9aa9f25>

The three highlighted dates are when the MC of the two companies cross. Around those dates we should find the key impact factors.

****September 18th, 2020**** MEME STOCK: \$0.61B vs GME \$0.62B First time GME exceeds and stays above MEME STOCK. It's notable that September 18th, 2020 was Quad Witching (QW) day. What happened to cause the flip?

How about this 19 days prior:

<https://www.nasdaq.com/articles/gamestop-stock-surges-after-rc-ventures-acquires-stake-2020-09-01>

Did RC kick Ken Griffin (criminal) in the nuts and mess up one of his swaps? Maybe, but must be a coincidence.

****December 18th 2020****, Quad witching day. Regarding the swap, this is a good day to assume any delta in MC's should be settled. Lets also assume Citadel failed to settle.

****January 26th, 2021****: The sneeze starts. Approximately 26 market days since QW and 133 days after the swap triggered.

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Now that we have passed June 9th with no news, lets revisit the 69 tweet posted on January 28th, 2022, the anniversary of the day the buy button was removed. He is clearly explaining why that happened: Swaps.

From the wikipedia article linked: "The participants are thus mutually inverted like the numerals 6 and 9 in the [number 69]([https://en.wikipedia.org/wiki/69_\(number\)\)](https://en.wikipedia.org/wiki/69_(number)))"

PART 4: RETURN OF THE SWAP

****May 24th, 2021****: RC knows something is coming:

<https://twitter.com/ryancohen/status/1397047791889879041>

****June 2nd, 2021****: MEME STOCK: \$30.07B GME \$20.49B

This is a very large change in MC vs the other two times the swap flips. Not just anyone can move markets to that level that quickly.

What happened: Murdick buy in (second time) and massive sell off of stock

<https://preview.redd.it/vvk5s6zxgk891.png?width=1790&format;=png&auto;=webp&s;=5ca4c8a41ba39cb0c9bbc0c35fc5b7cfee057e09>

Driven by a distressed company hedge fund and a capital raise which should have diluted share value ends up causing a massive run? Total share count quintupled (400%) since pre pandemic levels. That's not good for apes locking a float. Its quite the opposite.

Also note, GME is leading the run up until the news of financing launches MEME STOCK and the swap was reset just in time for June 18th 2021 QW.

****Finally time for the tombstone tweet.****

Thinking about this from RC's perspective: its May 28th. 2021, MEME STOCK stock is moving on hyped news of fresh financing. RC's big move to blow up Citadel swaps just got obliterated by the wall street powers that be. He is having a very very bad day. Things were trending in the wrong direction for him regarding this swap. So what does he tweet?

<https://preview.redd.it/0t2z8z3zgk891.png?width=1186&format;=png&auto;=webp&s;=cd6924f810cf7d82810f34e686b72afc55e442ad>

****The swap is going be restored! He's a dead dumb ass!****

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Taking a step back. At this point we've had two sneezes, but each sneeze impacted these securities differently.

GME, BEDS, and HEADPHONES have peak MC in January 2021 sneeze:

****GME****

<https://preview.redd.it/n75cm8y0hk891.png?width=1448&format;=png&auto;=webp&s;=f0818f81fdf002731001c4cf69abd55769043aa6>

****Beds****

<https://preview.redd.it/ld6l6182hk891.png?width=1408&format;=png&auto;=webp&s;=ee129c998632b081d250f203724dab33db3ebdbf>

****HEADPHONES****

<https://preview.redd.it/b9y23c54hk891.png?width=1402&format;=png&auto;=webp&s;=d6269e832ba72bf60cb87fe57742dffe15d8530f>

MEME STOCK, Xpress, NOQ look a little different, their peaks occurred in June 2021 sneeze or later:

MEME STOCK

****Xpress****

<https://preview.redd.it/rkp3gze5hk891.png?width=1406&format;=png&auto;=webp&s;=7805db4f63dcc7709006d63b7881210fa3b622de>

****NOQ****

<https://preview.redd.it/pqc0r0c7hk891.png?width=1414&format;=png&auto;=webp&s;=7f6736935e1b0c641a92af17c1bab7b71c8875ef>

Blackfruit is unique and equal in both sneezes

<https://preview.redd.it/r6pakb8ahk891.png?width=1398&format;=png&auto;=webp&s;=0366a3391226634641d561fef4f051dd742cf38a>

I can't prove anything, but looking back at our swap groups MEME STOCK, Xpress, NOQ and in one case Beds, appear to be the securities Citadel is giving as the counter security to his target. This theory is further bolstered by the counter security Citadel position is slightly smaller than the target security Citadel position. Blackfruit is used on both sides which I believe explains why it is equal MC in both sneezes.

****THE SECOND SNEEZE BOOSTED THE COUNTER STOCKS TO SAVE CITADEL!!****

Summary of the swaps:

<https://preview.redd.it/jhoi9hkbhk891.png?width=1714&format;=png&auto;=webp&s;=fedd29d90f097aa0d58d85c8de4e96056a635821>

I think my tin foil moon hat is cutting off circulation to my smooth brain.

PART 5: RETURN OF THE JEDI

Fast forward to the final flip...

****April 4th, 2022**:** MEME STOCK \$12.03B GME \$12.39B Another subtle flip, two weeks after March 18th QW. I wonder what could've happened about 2 weeks before:

[[https://www.reuters.com/technology/ryan-cohen-picks-up-100000-gamestop-shares-stock-jumps-2022-03-22/#:~:text=Register%20now%20for%20FREE%20unlimited%20access%20to%20Reuters.com&text;=March%2022%20\(Reuters\)%20%2D%20Billionaire,16%25%20higher%20in%20extended%20trading\]\(https://www.reuters.com/technology/ryan-cohen-picks-up-100000-gamestop-shares-stock-jumps-2022-03-22/#:~:text=Register%20now%20for%20FREE%20unlimited%20access%20to%20Reuters.com&text;=March%2022%20\(Reuters\)%20%2D%20Billionaire,16%25%20higher%20in%20extended%20trading\).](https://www.reuters.com/technology/ryan-cohen-picks-up-100000-gamestop-shares-stock-jumps-2022-03-22/#:~:text=Register%20now%20for%20FREE%20unlimited%20access%20to%20Reuters.com&text;=March%2022%20(Reuters)%20%2D%20Billionaire,16%25%20higher%20in%20extended%20trading](https://www.reuters.com/technology/ryan-cohen-picks-up-100000-gamestop-shares-stock-jumps-2022-03-22/#:~:text=Register%20now%20for%20FREE%20unlimited%20access%20to%20Reuters.com&text;=March%2022%20(Reuters)%20%2D%20Billionaire,16%25%20higher%20in%20extended%20trading).)

No f#@& way. RC Kicked Ken Griffin (criminal) in the nuts twice! No way this is a coincidence now.

****June 17th, 2022**** Quad witching day. Regarding the swap, this is a good day to assume any delta in MC's should be settled. Lets also assume Citadel failed to settle.

****July 26th 2022****, a Tuesday, is 26 market days since QW.

****August 1st, 2022****: Approximately 133 days after the swap triggered.

Additional supporting documentation RC is signaling the swap: Is he dancing?

<https://twitter.com/ryancohen/status/1510818828695052289>

<https://twitter.com/ryancohen/status/1514297711675256840>

Swap is intact: November 11th 2021

<https://twitter.com/ryancohen/status/1460127511619252230>

Swap is triggered: May 6th, 2022

<https://twitter.com/ryancohen/status/1522669176569188358>

Multiple apes have pointed out his tone changes around March.

Part 6 Conclusion

I have one goal with this post. To spread this knowledge so another ape can connect the next dot and find concrete evidence of the swaps. The dates used are real and serve as the best indicator for where to dig. All of these companies are being driven out of business by pure greed.

RC discovered the existence of the swaps against GME and is two for two when buying and causing the swap to sour, and he is signaling good or bad based on the condition of the swap. Further, the only correction of the swap was caused by institutional and insider investors causing a rapid massive swing in delta market cap between the companies. RC's buy in early 2022 is going to cause chaos very soon.

****This is not financial advice.****

PS: Im zen and not a threat to myself or anyone around me.

EDIT Bonus data: HEADPHONES short interest. December 2020 was spicy! This totally destroys any narrative retail drove the HEADPHONES sneeze.

<https://preview.redd.it/dihagvedhk891.jpg?width=640&format;=jpg&auto;=webp&s;=edbab1ef1eda526115bf77601d065f4d1298bedf>