Title: CRITICAL MARGIN & COLLATERAL - THE RATIOS MASON, WHAT DO THEY MEAN??
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Let's keep this short and sweet. I work at a financial institution - one of those that might melt the global financial system if it failed (I've verified this before with pink and one other a while back when I made a post on total return swaps) Over my time there, I've come to learn one very important key to this saga - It's all about the collateral. (and the hedge).

When you are knee-deep in a levered short TRS (total return swap) position against GME, which I do strongly believe is the case given the evidence, the 2 most important things are the quality/stability of your collateral and the correlation of your hedge.

Currently, SHF and friends are walking on an interesting tightrope, one which they won't ever make it to the other side.

Collateral - The securities which you own that are to be posted against your current derivative exposure to protect against counterparty risk. Typically this is in the form of Initial Margin (a fixed amount at the inception of the trade) and Variation Margin (a variable amount that changes as the market-to-market of your position changes). Normally, banks and market makers require good quality collateral for this (think Investment grade bonds, US Treasuries, US Index Funds, etc) NOW THE BIG PROBLEM - The value of all of the above has been flushed down the toilet. Bonds, down the drain. SPY, down the drain, etc.Typically most hedge funds, especially the hedge funds in question are utilizing stocks with a high correlation to the esspeewhy and major indices as collateral. (rainforest, battery-powered hot wheels, fruit stock, etc) Problem is, as the value of those craters with like the titanic, so does the posting requirement.Now I firmly believe that the powers at be, are, and have been for the last year, in a death spiral with their GME positions vs their underlying esspeewhy collateral.

Below is the current ratio of SPY/GME and as you can see, we seem to be in a bit of a trend. A trend that for some reason cannot be broken to the upside (where GME depreciates vs esspeewhy) but whenever it breaks to the downside (where GME appreciates vs esspeewhy) we begin to experience extreme IV spikes and halts (jan21, march21, june21, nov21, april22, august22). I believe that these IV spikes/halts that we are seeing at the bottom of this trend are margin calls, margin calls which are only met and subdued (allowing them to aggressively short the stock into the ground again) by posting more collateral. Now what you will notice here, is that we are floor to the upsize, which means, GME is unable to be shorted or pushed above the top of the trend, this likely represents a point of overleverage that will also result in a margin call, which explains why we seem to rally off of the top of the trend, every time we get shorted there.

[espeewhy\/GME](https://preview.redd.it/firv3ceofht91.png?width=633&format;=png&auto;=webp&s;=dc5abfae095939ebd4b98a4031fea67604f1b014)

Now take a look at espewhy / sticky floor..

[esspeewhy\/swapcorn](https://preview.redd.it/hemwpo94hht91.png?width=631&format;=png&auto;=webp&s;=53c523a8da398cb288ec68a08af95e1be0fae430)

What you are seeing here, is the break of this trend to the upsize (where sticky floor depreciates vs espeewhy). This is very much a result of both the lack of DRS (which has floored GME) and, Adam

Enron's ever-so-clear criminal dilution through the use of their "special" (regarded) dividend. I do believe that the SHFs, given this ratio were previously caught in a sticky floor short over the last few years, but thanks to their gracious leader, through dilution and more dilution, he has given the sticky floor shorts, a chance to cover their positions and not only that, enter into somewhat of a long hedge against GME.

Now on to a bit of a controversial topic.. The Hedge:

[esspeewhy \/ towel](https://preview.redd.it/tey4zrvwfht91.png?width=628&format;=png&auto;=webp&s;=9a2c005ef4fe5a196f6c70c1a3d97a43278c4596)

Above is the same ratio as discussed above but with esspeewhy/towel stock. And as you can see, it's in even worse shape than sticky floor where it continues to break to the upside (depreciating vs esspeewhy). Once again clearly showing the power of DRS and how it floors the price of GME vs esspeewhy on the trend.

Now, this may be a little speculation but I do believe given the price action and the ratios above, that towel stock was indeed a hedge position against a massive GameStop short. A hedge that Ryan was potentially (likely) aware of when he purchased shares with the intent to either convince the towel stock board to follow a turnaround plan which may have lead dilution (fuk hedgies) or some sort of synergy plan with GME, but even if that didn't pan out, he could still pull the rug on that hedge and ruin it for the SHFs at any moment.. which he did (kinda, but mostly the uuessbee crowd panik selling).\^ *this is pure speculation on my part, think what you will**

The Last Act:

[GME\/swapcorn](https://preview.redd.it/iua3xfe2ght91.png?width=489&format;=png&auto;=webp&s;=da7c410bde4a44506cb5f3b70481234521f2ea8d)

Above is the ratio of GME / sticky floor. One which has been trending up (GME appreciates vs Popcorn) for the last year and half.

[GME \/ towel](https://preview.redd.it/r1hodra4ght91.png?width=493&format;=png&auto;=webp&s;=6575af046f972764ebbaa856291142fac4891da0)

Likewise, the above is the ratio of GME / towel stock, which has once again been trending up for the last year and a half (GME appreciates vs towel).

Given the above ratios and metrics, I do believe that GME decoupled from sticky floor and towel stock as a result of DRS, a painful cost to borrow, and the extreme leverage being used. At the same time, it is now in a death spiral against esspeewhy collateral (which is depreciating quickly) which if we look closer at the below, has an end date, conveniently located at the 2y point from the sneeze. (sorry to rejack those tits). Now, this isn't to say that it will take until January for liftoff. I do believe given the evidence we have seen against the bottom of the ratio (where GME becomes extremely volatile through halts, iv pumps, etc) that if the GME ratio vs esspeewhy were to break below through this margin line (appreciate vs esspeewhy), and hold that rise in value, it would likely trigger a violent wave of margin calls and liquidations to the likes of which our market has not seen before.

https://preview.redd.it/9ngu2g3aght91.png?width=516&format;=png&auto;=webp&s;=571a0d1494845824e8177493d17ee57754861568

TLDR: Esspeewhy stocks are being used as collateral. That collateral is depreciating quickly against GME;

When that ratio breaks to the downside (GME appreciates vs SPY) below the 2-year-long trend, the end times begin. At the same time, towel stock and sticky floor are the SHF hedges that we are currently decoupling from thus cornering them from both sides.

Now, this isn't meant to be TA. These ratios don't typically occur in normal stocks. And they most certainly should not be occurring with a 7BN market cap console and preowned games retailer (as the media claims) versus the whole fuckin market. Do with this info as you wish, ill just buy and DRS some more tomorrow.

\-Chairman (Dad?) is back from his milk run!-Almost a billion cash on the balance sheet-$100 million stashed for buybacks-NFT marketplace alpha launch (games, music, movies...everything)-FTX Partnership and Defi stock exchange(there's more i know, I'm just tired)

55% DRS AND COUNTING... Id really hate to be mayoman rn.

Thnx for coming to my Ted talk..