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FINANCE

Reddit's WallStreetBets Was the GameStop Kingmaker, but Longtime Users Say the Thrill Is Gone

The group was once the engine that powered rookie traders, but now veteran members say only tired-out ideas remain

By [Gunjan Banerji](#) and [Caitlin McCabe](#)

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Reddit's WallStreetBets was the place to be last year for meme-stock mania. These days, some onetime fans say it is hardly worth clicking on.

Those who once scoured the online message forum for brazen and unexpected trading ideas say they are mostly finding members still chatting about stocks such as [GameStop Corp.](#) [GME -5.84% ▼](#) and [AMC Entertainment Holdings Inc.](#) [AMC -7.40% ▼](#) Constructive feedback on trades, some users complain, has largely been replaced by cheerleading. Devotees who were once glued to the forum—watching power users like Keith Gill, or “[DeepF—ingValue](#),” post bold bets on GameStop—say they have largely abandoned the page in favor of other trading communities.

Ask WSJ

Demystifying the GameStop Reddit Saga

When GameStop's stock skyrocketed in January 2021, it caught Wall Street investors by surprise. A group on the Reddit forum WallStreetBets had coordinated stock buys to bolster the fading videogame retailer's stock price. On Jan. 27 at 1pm ET, join the reporters who drove the coverage for a discussion of this moment in investing history.

Submit Your Questions



The market has changed, too. Last year, the S&P 500 hit dozens of records, making it easy for professional and amateur investors alike to look smart. This year, stocks are off to a rocky start, in particular the sorts of tech companies and flashy firms favored by the day-trader crowd.

A year ago, though, WallStreetBets was the engine that powered the rookie trader. Tips posted there were quickly amplified over TikTok, Twitter and messaging platform Discord, allowing hordes of individual traders around the world to act in concert and even drive markets. WallStreetBets members ballooned from fewer than two million at the start of January 2021, just before GameStop shares went flying, to more than 11 million today.

If the meme revolution made trading cool, it also made it harder to separate the next big stock sensation from the next big money loser. Investments that were applauded on forums like WallStreetBets went up because day traders declared they would, with little regard for a trade's underlying value.

SHARE YOUR THOUGHTS

How reliable is the stock market information you can find in online communities? Join the conversation below.

So far this year, the tech-heavy Nasdaq Composite Index is down 11% and has entered correction territory. The VanEck Social Sentiment ETF, which is known by the ticker BUZZ and tracks stocks that are popular on social media, is off around 18%. GameStop and AMC have fallen even further, with both down 33% or more in the year to date.

Amid such broad declines, it might get harder for small traders to gang up and boost a stock, unless there is actual good news about a company.

WallStreetBets, or WSB as it is known to users, was created in 2012 by an IT consultant bored with traditional financial advice. It has never been a sober corner of the internet. Users post under pseudonyms like pim9daddy214 and Boogymen422 and exchange unpublishable profanities. Markets are regarded as a giant casino, but one where both big wins and big losses are celebrated. After all, as many members would say, “YOLO”—“you only live once.”



Sol Hu quit his job and became a full-time trader after he discovered WallStreetBets.

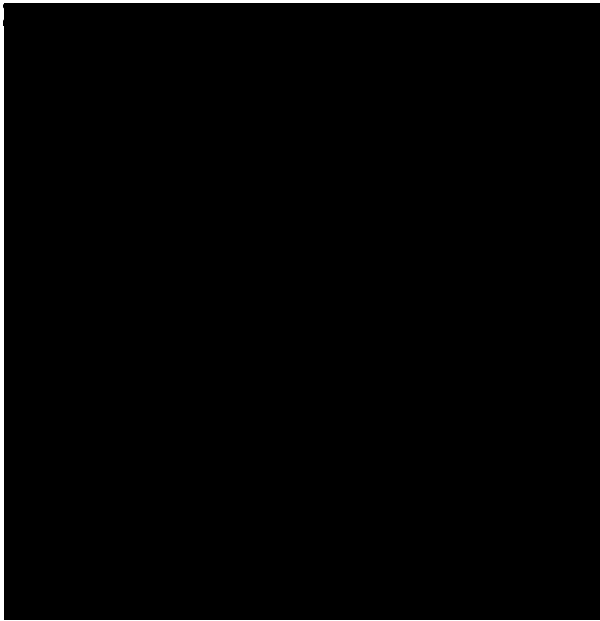
PHOTO: SOL HU

Sol Hu came across WSB roughly four years ago. New to trading, Mr. Hu was immediately hooked. By 2019, he was trading full time after quitting his job as a research technician. Back then, he said, he checked WallStreetBets first thing each morning and would scroll and comment for hours throughout the day.

Mr. Hu enjoyed chatting with others when he wanted advice on a particular trade and appreciated the honest—albeit sometimes brutal—feedback. “Now it’s all ‘yes men’ comments,” said Mr. Hu, who is 31 years old and lives in New Jersey.

He still briefly checks in on the site many days but spends most of his time scouring Twitter for fresh trading ideas and talking strategy with his cousin.

Average daily comments on WSB, monthly



Note: Based on WSB's main page, which features 'hot' content

Source: TopStonks

WSB remains one of the most popular Reddit groups. But veterans like Mr. Hu say the newbies are taking more than they are giving. The number of text posts, as well as the number of total comments across WSB's main page, has been falling. On an average day last November, there were about 27,000 comments on the forum's main page, which features "hot" content, down from about 47,000 a year before, according to a Wall Street Journal analysis of data from TopStonks, which tracks stocks mentioned on Reddit and other sites.

Most-mentioned stocks on WallStreetBets in 2021



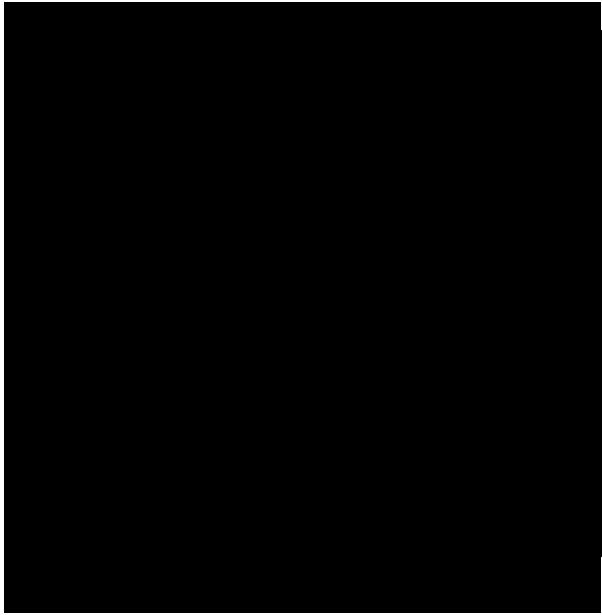
Source: SwaggyStocks

Many new users continue to be drawn to the original meme stocks. GameStop shares were still the second-most-mentioned stock on WSB in January, according to TopStonks data as of last week. AMC ranked sixth.

Mark Villanueva came across the site last year and was intrigued by the users who said they were making big bucks.

In February, Mr. Villanueva noticed that WSB was buzzing about a special-purpose acquisition company called Churchill Capital Corp IV, or CCIV. SPAC discussions were forbidden on WSB at the time, according to the forum's own content guidelines, though Mr. Villanueva didn't know that.

Mentions of Churchill Capital Corp IV on WallStreetBets



Note: Figures through July 31.

Source: Meltwater

Mr. Villanueva bought about \$3,000 of the shares. Their value plunged within days and he sold everything, losing roughly \$1,150. CCIV later merged with the electric-vehicle company Lucid Group Inc. to take it public.

“I thought these guys really knew what they were talking about,” said Mr. Villanueva, who is 32 and lives in the Chicago suburbs. He now prefers another Reddit forum called Superstonk, which focuses on GameStop.

Like other Reddit forums, WSB largely relies on its own members, instead of armies of tech employees, to police its content. Volunteer moderators use bots designed to scour and delete anything that violates forum rules, and moderators can manually delete posts, too. Users aren’t supposed to post about cryptocurrencies, companies with a market capitalization of less than \$1.5 billion or so-called over-the-counter stocks that aren’t listed on exchanges, among other rules.

But posts that break the rules can slip through. Some users said they have grown more suspicious about users looking to drive up share prices of lesser-known companies in an attempt to unload them to novice investors.

A moderator for WSB acknowledged that the site’s explosion into the mainstream had resulted in “people trying to influence prices” but said that moderators “work pretty hard

to keep that at bay.” He said the team has come up with “automated solutions” to help prevent spam.

The moderator noted WallStreetBets has recently made changes to help keep members engaged, including launching a live call on weekdays before the market opens for members to discuss their trading ideas—and anything else. The moderator, and some other users, said it was natural for WSB to go through phases.

Last year, Grigory Lukin holed up in his Toronto apartment for an entire weekend to read popular posts by Keith Gill and others on GameStop that he found on WSB.



Grigory Lukin made about \$115,000 in profits within days on a GameStop trade last January.

PHOTO: GRIGORY LUKIN

In January 2021, he poured about \$44,000 of savings into GameStop and made about \$115,000 in profit within days. He has since quit his job as a financial analyst at [Amazon.com](https://www.amazon.com) Inc. to retire early and trades as a hobby.

Mr. Lukin, 35, said he typically spends “a few minutes here and there” on WSB after he gets bored scrolling Twitter and other Reddit groups, including one called “WallStreetBetsHUZZAH” that cropped up last year. He has still been able to find some other winning trades on WSB, like an options trade on the food company [Dole](https://www.dole.com) PLC that

earned him a roughly 60% profit within a day. He still occasionally trades GameStop shares and options.

“There’s some good stuff out there,” Mr. Lukin said, referring to WSB. There is also “some absolutely atrocious advice.”

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