25 REASONS GME'S SHORT-INTEREST IS HIGH

A 6-Month Review

25 Reasons Why GME's Short-Interest is High -- a 6-Month Review

Discussion / Question

Hello fellow apes. This post lists 25 different reasons to believe that short-interest is very high. I am sure that many of you are aware of most of these reasons, but I wanted to review the last 6-months of GME trading to compile a good list for newer apes, or for anyone you are looking to convince that there is still more good things to come in regards to GME and the possibility for it to short-squeeze

I comment a lot more than I post, and I read even more than I comment. I have been reading and researching and writing about GME since December, and I hold XXXX shares. This is not financial advice, I am not a financial advisor, and I highly recommend you do your own DD, and make investments at your own discretion. This post is unsourced, but is based on many posts that have occurred over the last six months.

I am also sure that there are more reasons to believe that short-interest is high. If I missed some, please add your reasons in the comments, and I will add any pertinent ones to the list below.

The market lacks transparency when it comes to shorts, and especially synthetic shares (naked shorts). These 25 reasons to believe that short-interest is high cannot be construed as factual evidence, but remain suggestive and speculative in nature. However, a large quantity of 'coincidences' produces a higher confidence that these correlations do indeed point to a deeper, but concealed truth: GME short-interest remains very high, which is the thesis of this post

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25 Reasons Why GME Short-Interest is High

- GME Form 10-K warning about the possibility of a short-squeeze
- High reported short-interest via Finra (20-40% is still high)
- S3 and others changing their short-interest formulas to produce theoretical caps of 100% SI
- GME shares being hard-to-borrow for at least 5 months now
- Back in February, GME's reported SI decreased as the price went down. That's the opposite of what would happen if short-interest decreases
- The DTCC admitting that the Jan run-up was not due to margin calls
- Strong correlations in price action between GME and ETF price movement containing GME
- Websites such as iBorrow showing available shares to borrow go from millions of borrowable shares to either 0 borrow able shares or millions less than the original amount shown, on a daily basis since February
- Borrowable shares for ETFs also reaching near zero availability pretty much every day since February
- Massive coordinated MSM campaigns in January and December telling everyone that GME either already squeezed or that all shorts had been covered
- A large number of FTDs for months now
- Here's a big one: When whales sell shares, they NEVER sell huge chunks of shares greater than a certain percentage of the average trading volume for that stock. If they were to do that, for buying or selling, they would be losing a lot of money on their trades due to flooding the supply/demand for the stock at that given time period. For instance, if a whale puts in a 1M share sell order, there may be 800K shares waiting to be sold compared to just 200K buys (if not less). Some shares might be sold at the executed price, but most shares would be waiting for buy orders. To put it simply, the stock price would go down as the shares waiting for buy orders were executed, and

thus the whale would end up tanking the stock price as they were selling, making the trade far less profitable. So, whales and institutions instead sell or buy in sets of smaller quantities to have a better average sell or buy price for their trade. This makes large short-selling trades easily identifiable. Large volume sell orders are antithetical to good financial practices if the entity is trying to make money. Based on volume alone, I would say that there have been at least 50 1M+ small-window time frame sales within the last 3 months, that suggest short-selling attacks

- So far, we have not seen any long institutions (through 13D SEC filings) selling large amounts of shares of whom we suspected to be holding shares. More data will be verified on May 17th (admittedly, this doesn't have anything to do with shorts, but it would change share availability and the short-float %)
- OBV has remained very high for months now. This suggests that the true value of GME stock is being suppressed so long as price action continues to not match OBV. There has been around 3-4 months of OBV not matching GME price action. Selling would induce a positive correlation between GME's price action and OBV, so this suggests that GME has been and is still being regularly affected by shorting pressure
- Bloomberg and Finra have both reported institutional ownership greater than 100% of outstanding shares, suggesting the presence of naked short-selling
- The possibility of married puts and continued methods for resetting FTDs alludes to large short-interest
- Price action. GME saw very clear gamma squeezes based on large volumes of call options (in January) from $20 to $40 per share, then again from $55 to $75 per share, then $90 to $140 per share, then $150 to $300 per share. For these last two gamma squeezes, HUGE amounts of call options were bought, and for two days straight (I believe), every single available call option was ITM by the end of day. Back then, everyone was trying to figure out what it was the short-squeeze or just gamma squeezes, and by the end of it, everyone was well-acquainted with the concepts of gamma squeezes, and was certain that a series of gamma squeezes propelled the price upwards, not a gamma squeeze. The chart now looks like it was straight up, but that is not true. The day charts saw several flat periods from $35 to $55, which went up and down, and a flat period (one day I believe) in the $60-$79 range, and even the climb from $100 to $150 was fairly steady and even had dips. The point being, the January run-up was NOT indicative of a short-squeeze in regards to price action
- Continuing to the Feb/March run up from $40: There was very high option interest from $50 to $100, which saw a significant gamma squeeze once GME crosses the $50 threshold. GME spiked to $175 then settled back at the $100-$120 range (from my memory). More options (tons more) were bought, chaining all the way from $150 to $800. Again, it became clear that a huge number of call options between $150 and $300 could create another gamma squeeze. And so, within a week or two, GME crossed $150 and immediately flew upwards past 150, then past 200, then past 250, and eventually 300. I would consider gamma squeezes near these three marks. None of the price action was indicative of a gamma squeeze, although some shorts may have certainly covered. The push back at $343 was massive, again going back to what short-attacks look like, it was clear that short-sellers saved up either shorts or shares or both and hit GME with upwards of 4 to 5 million in sell-orders
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- A decreasing float. From GME's recent SEC filing in regards to the shareholder meeting, we now know that the true float, just in regards to insiders and the top 6 institutions, is 26M shares. (Or was it 23M shares? I don't remember). The value commonly used before (both conservative estimates) was 50M shares. So roughly, the short-float % has doubled in value compared to all previous metrics and calculations made
- Continuing to analyze short-float ratios as it relates to the true float, retail buying interest has only increased over the last four or five months. There have been many attempts to identify how many shares retail investors own. Conservatively, based on data from brokerages, subreddits, and polls, it has been shown several times that retail investors alone own at least 25M to 30M shares, essentially 100% of the float. This would both prove the existence of naked shorts (aka synthetic shorts), which are illegal, and would also mean that the short-float % is... irrelevant. If there is any float at all, which there has to be, the float would then have to be comprised of a mix of synthetic shares and real shares, with some number of investors actually owning synthetic shares. So, the short-float % cannot be known until the synthetic share problem is sorted out... this is likely to be accomplished via the shareholder meeting proxy vote. So make sure and go out and vote!
- Buy/sell ratios have been through the roof on GME for months now, as shown by different brokerages, most of which have been Fidelity. This is not indicative of short-interest on its own, nor is it indicative of greater volume than selling volume. However, consider this: It is a lot easier to buy shares than sell shares. Retail investors can continue to join into the movement by buying GME shares, but if someone is attracted to the bearish argument for GME, they are extremely limited to shorting GME. Many have been margin called. You can only sell a share if you own a share, so short-sellers are not motivated to buy shares, rather, they are motivated to short. Thus, the sell-side of buy/sell ratios is likely not large sell orders, but smaller sell orders and/or shorts. Because this level of price-action has been kept up for months now, large sell orders over-powering the high ratio of buy/sell orders would have certainly exhausted share reserves by this point. Selling runs out of ammunition, but buying is unrestricted, until shares literally run out. However, short-sellers do NOT want liquidity to run out, because zero liquidity would lead to margin calls, so likely naked shorts will be taken out as liquidity reaches zero, in order to add more shares to the float. Anyways, so buy/sell ratios are comprised of small sell-orders (likely those swing trading or retail paper-hands taking 5% profits) or shorts. But price action has remained stagnant, bouncing between resistances and floors in a narrowing wedge for the last two months. So, this must mean that: 1) the sell-orders are in fact larger in volume, but have to be comprised of large short orders, not large sell orders, or 2) buy orders are being routed through dark-pools in order for buy/sell ratios to come out closer to even, thus maintaining a steady price, or 3) long institutions are holding down the squeeze by selling or shorting in order for the DTCC to be ready to handle such an event
- Ryan Cohen's tweets. Of course, highly speculative, but he wouldn't have a reason to mislead shareholders unless he thought that a short-squeeze was a real possibility, and/or that short-sellers are in some serious trouble. In addition, DFV clearly believes a similar story, although I am sure he has less information that RC
- Decreasing volume. While decreasing volume does not suggest a large short-interest, the price action of GME over the last 3 months does suggest that a large number of people are buying up the float and are holding. People

expect GME should have a much larger price tag, and thus, people are willing to buy and hold. GME is becoming increasingly illiquid, and yet the stock price remains flat. The entire scenario regarding sentiment and price action suggests that high short-interest is the very thing that retail and institutional longs are holding for. The stock price is artificially low due to a large volume of uncovered shorts, and likely, a large volume of uncovered naked shorts

*These reasons are listed in no particular order. Some of them are sort of similar to one another... I was trying to get a 'nice' number of reasons, sorry!

Please share any additional reasons why short-interest is likely high in the comments below

edit: grammar edits, but I didn't finish editing... gotta run for Mother's day