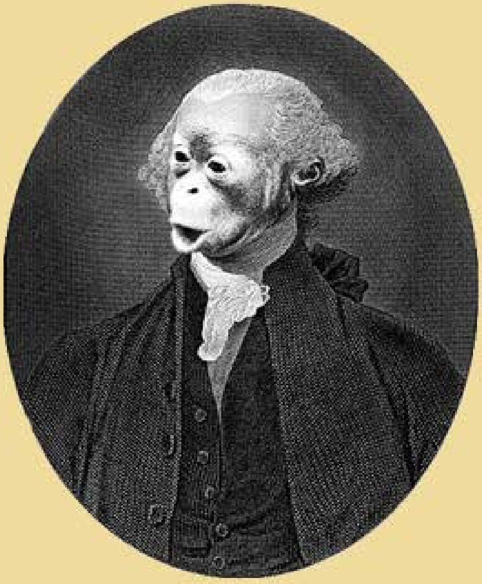
Collected Works of u/Alexander Hood



April 2021 – January 2022

Calculating potential Short Interest from Married Put remnants and Share Rehypothecation - April 18, 2021

Due Diligence

There have been a lot of posts floating around the subs postulating the real short interest.

I wanted to take a stab at it using what we know for sure about the mechanism for how the FTD's are hidden, the latest put option open interest and why the new DTC rule about double-borrow shares was implemented.

Assumptions

1. Citadel and friends are using the Married Put method of hiding FTD's.
2. Any Put for a strike of $20 or less for the rest of the year is an irrational option play no sane person would make.
3. These apprently irrational puts are in fact part of a rational mechanism for hiding a FTD.
4. The current outstanding number of irrational puts is correlated to the number of FTD's resulting from naked shorts.
5. Basically all available shares to legally borrow have been legally borrowed.

Shares in cash accounts should not be made available to borrow. (Note the use of the S-word) With much of retail on RH or other brokers who may not be able to resist the temptation to make free money, I'm going to assume the borrow is 100%. (See disc below. If you disagree, swap in your own number and recalculate.) Due to re-hypothecation where a share sold short can be borrowed again and sold short again, the shares borrow number *could* exceed 100%. The daily available shares available to borrow often taps the zero shares mark before magically finding more shares the next day.

Let's math

GME Shares outstanding: 70.03M

GME Float: 45.99M

Irrational Puts from now until Jan 2023:

Apr 16 7,067

Apr 30 6,124

May 7 577

May 14 135

May 21 3,648

May 28 150

Jul 16 299,922

Oct 15 14,736

Nov 19 22,760

Jan 22 220,355

Jan 23 43,984

Total puts: 619,458

Shares equivaluent: 61,945,800

Shares borrowed & rehypothecated for shorting: 45.99M (100% of the float)

Shares failed to deliver: 61.95M (From Married Put remnants)

Estaimted Short Interest: 107.94M total shares

Estimated Short Interest: 234% using the proper industry-standard technique for calculating it

Estimated Short Interest: 70% using the dumb new method S3 Partners invented of calculating it

Discussion

Through the magic of re-borrowing a share sold short, there could be an infinite number of shares rehypothecated but in practice if we assume all shares purchased and placed in a cash account by and honorable broker, only X% of shares could be borrowed back so we have a case of diminishing returns. No idea what X% is here, but if you are reading this post please please move your shares to a cash account or take some action to prevent them from being borrowed. *Small changes to this X percentage have a dramatic effect on the ability to do this type of re-borrowing.*

Conjecture

Personally, I think X% here is 50%, which after maximum re-borrowing works out to be equal to the entire float. i.e. Half the shares are not available to borrow but the ones that are have been re-borrowed. (0.5 + 0.25 + 0.125 + 0.0625 + 0.03125 ... = 0.99) This is why I made the assumption above that shares equal to 100% of the float have been borrowed.

DTC Borrow Rule

Yes, the new DTC rules would prohibit this type of re-borrowing because you cannot borrow a share that has alredy been borrowed. All the shares borrowed more than once would have to be covered, which is half the outstanding float if you subscribe to my 50% estimate.

Very Conjectural

From the latest Bloomberg dump, the Institutions own 122% of the float and from my math we own about 105%. This is actually the reason I did this specific calculation, because I wanted to know if retail owned enough shares to force a moass even if all the Institutions were ordered to paper-hand by the PTB. If Institutions paper-hand in exchange for a seat at the asset auction for Citadels corpse, the moass hits Millions per shares rather than Trillions per share.

And at a minimum, 61.6M shares must be covered just to get back to a (legal) 100% Short Interest on the stock.

Sources

What DFV knows

Original Post on Married Puts

Finra

Yahoo Finance Stonk Tracker

Total Market Failure to Delivers (FTDs) drop in April - May 2, 2021

Due Diligence

We're all super excited about the soon-to-be-released SR-DTC-2021-005 we've been promised.

Quick recap, 005 says you cannot borrow a share that is already on loan. This would theoretically prevent Short Interest from ever going beyond 100% of the float. No more double shorting and any existing double-borrowed shorts would need to cover. (Finally!)

The current loophole bascially allows you to legally double-borrow short a stock, and the resulting FTD's get cleaned up later by the NSCC's Share Borrowing Program. (See link below for details.) This exploit has also resulted in an explosion of FTD's over the last few years, where the vast majority are in effect, double-borrowed shorts. NOTE: This is not a "naked" short, these are just stocks that have been borrowed and re-borrowed multiple times, but borrowing the same stock four times and selling it short four times is so close to be a true naked short you might as well just think of them as legal-naked-short.

I was thinking about this from the Hedgie point of view. April 2nd when the preview of 005 dropped must have been a real *omg* moment for them. The loophole they've been exploiting for years was about to close. Even worse if they happen to still be rolling a few million double-triple-quadruple-borrowed shorts.

But not just AMC and GME!!

So, how can we tell when the Hedgies are going to *really* start to cover and what is that going to look like?

Aside from our favorite meme stocks, I decided to pull the entire freaking SEC FTD data and break it down. Let's take a look ...

TOTAL SEC Failure to Deliver Data

Date	FTDs
Mar 1	386,908,000
Mar 2	391,438,000
Mar 3	322,952,000
Mar 4	290,143,000
Mar 5	284,402,000
Mar 8	178,681,000
Mar 9	291,390,000
Mar 10	295,680,000
Mar 11	392,492,000
Mar 12	207,951,000
Mar 15	193,000,000
Mar 16	199,442,000
Mar 17	192,945,000

Mar 18	195,389,000
Mar 19	154,242,000
Mar 22	189,466,000
Mar 23	237,861,000
Mar 24	155,330,000
Mar 25	150,337,000
Mar 26	135,033,000
Mar 29	317,768,000
Mar 30	155,887,000
Mar 31	145,833,000
Apr 1	141,844,000
Apr 5	191,277,000
Apr 6	156,233,000
Apr 7	139,694,000
Apr 8	140,068,000
Apr 9	138,792,000
Apr 12	158,149,000
Apr 13	136,213,000
Apr 14	137,686,000

Average for March: 237,590,000

Average for April: 148,884,000 (1st half only)

Ok, now that is a SIGNIFICANT drop off in April for FTDs. They certainly have yet to start covering AMC and GME but the overall reduction in FTD's might imply a new found reluctance to short everything in sight for a change.

Knowing that 005 could get approved by the SEC any day and be effective/implemented 1 to 20 business days after that, it would be financial suicide to keep using the double-borrowed short loophole any longer. Sooner you start slowly unwinding your double-borrowed shorts the better, because unwinding them all at once or in a short period of time is going to spike price action and cost you a lot more. Or at least stop making new shorts with that loophole.

A 33% reduction in FTD's may not be quite compelling enough to say they are covering, but it does suggest they are easing-up on the naked shorting for stocks *other* than AMC and GME.

When we get the data for the second half of April we'll see of this trend continues.

Sources

SEC FTD Data

DTC-005 Original Version - Retracted

DTC-005 Analysis

Share Borrowing Program

TLDR Dropoff in total market FTD's in April **might** indicate impending regulation 005 has hedgies running scared and closing double-borrowed short positions on non-meme stocks. When 005 is implemented they're going to need to cover at least thier double-borrowed shorts, not all shorts, but at least the ones which were borrowed more than once using a legal loophole.

May Update on the Married-Put Forensic Analysis - May 11, 2021

Due Diligence

About a month ago I did an analysis for the real short interest (SI) for GME using what know about the legal Married Put mechanism for creating naked shorts.

I wanted to revisit what we know for sure about the mechanism for how the FTD's are hidden, the latest put option open interest and why the new DTC rule about double-borrow shares was implemented. Yes, I know some people don't think these remnants don't mean what we think they mean, but maybe they do.

TLDR Married Puts continue to be used to create naked shorts. Short Interest is at least 152% and increasing by over 100,000 shares per week.

Assumptions

1. Citadel and friends are using the Married Put method of hiding FTD's.
2. Any Put at a strike of $20 or less is an irrational option play no sane person would make.
3. These apprently irrational puts are in fact part of a rational mechanism for hiding a FTD.
4. The current outstanding number of irrational puts is correlated to the number of FTD's resulting from naked shorts.

What does irrational mean? Betting GME will drop below $1 by the end of the year is bonkers.

Let's math!

GME Shares outstanding: 70.77M

GME Float: 47.75M

Irrational Puts from now until Jan 2023:

Option Expiry	Open Interest Apr 18	Open Interest May 11
Apr 16	7,067	0
Apr 30	6,124	0
May 14	135	683
May 21	3,648	3,990
May 28	150	412
Jun 4	0	64
Jun 11	0	11
Jun 18	0	1,046
Jun 25	0	13
Jul 16	299,922	303,927
Oct 15	14,736	19,223
Nov 19	22,760	22,601

Jan 21, 2022	220,355	224,653
Jan 20, 2023	43,984	46,136
Total puts	619, 458	622,769

Shares short from Married Put remnants on April 18th: 61.9M

Shares short from Married Put remnants on May 11th: 62.2M

Ok, what is this?

The number of naked short shares implied by Married Put remnants has increased by 331,100 shares in the last three weeks.

- Over 13k of irrational puts that expired worthless in the last three weeks but the total number of Irrational Puts continues to increase. Not only are they are continuing to utilize this method of shorting, but they are increasing in number as well by apx 100k per week.
- Ortex has 'exchange reported' Short Interest at 22.2%, or 10.6M shares.
- Combing the calculated naked short interest of 62.2M with the official short interest, we get 72.8M shares short or *152.5% SI*.
- On May 21st we have another 3,648 of irrational puts expiring, we'll see if they get 'rolled' over as well.
- The next BIG batch of Irrational Puts is set to expire in just 8 weeks, July 16th, over 300,000 or nearly HALF of them our there in fact. If we see a fresh batch of about 300,000 puts get created that day for an Op Ex six months in the future, I'll be on the phone to the SEC telling them they need to end this little charade. But do they need to get rolled? No. If apes keep buying, they need to short that number of shares, whatever the cost and by any means.

Discussion

Could the Short Interest be higher than this? ABSOLUTELY. This calculation does NOT include short shares created directly using legal Market Maker provisions and have not yet been covered by that Market Maker. This calculation does NOT include legal short shares created using the re-borrowing method. This calculation does not include shares shorted via the ETF's. (62 ETF's hold 10.5M GME shares.) This calculation does not include any other means of shorting.

The new DTCC rule SR-DTC-2021-005 would prohibit the re-borrowing of a borrowed share. Will that rule apply the NSCC Share Borrow Program as well? Let's hope so. They pulled the draft of this but I'm hoping to see it make a return soon. (See links below for more detail on 005.)

Once the new DTCC rule prohibiting the re-borrowing of borrowed shares kicks in we should expect the borrowing costs to spike like crazy. It is the end, effectively, and will trigger squeezes everywhere. They pulled the first draft, probably becasuse the timing isn't right. Anxiously awaiting the re-release of 005 and the implementation timing. Aren't we all!

Disposing of the Evidence

When these expire, they're gone. Wiped off the books. Of course they are, these puts are worthless after all. Never intended to be exercised.

~~HELP! If anyone has the options data from Jan 15th and Mar 16th, would like to see how many more of these puts expired on those dates. i.e. How much were they using this before GME went all baby-squeeze January 28th?~~ Edit: Got the data, stay tuned! Thanks to Full_Option_6067 for the info! There are more shorts!

The advantage of picking options expiries with each quarter is that you get super-cost efficient strikes at like $0.50 but the big disadvantage is that the open interest SITS out there for months on end, waiting for some smooth-brained apes to figure out what it means.

When are they going to end the Married-Put shanannigans? Who knows.

Total Conjecture

Why was 005 delayed? Officially, for "reformatting". Tin-foil hat time: After posting it they found out this loophole for legally naked shorting stocks is in widespread use by every Hedgie and on hundreds of other distressed stocks. It's not just AMC and GME. If they nerf it we could be looking at a crack-up boom in the market and dozens of bankrupt hedges. Why a crack-up boom?? I'll give you a few million reasons: Because every FTD is a naked short.

The Great Halvening

Never forget this happened

I saw the Great Halvening happen with my own eyes, so I've just been multiplying all their SI numbers by 2 to figure out the in-adjusted SI. Where they hid the rest of the original '140%' short of GameStop ... remains a mystery.

Sources

Original Post on Married Puts

DTC-005 Original Doc

DTC-005 Analysis

Share Borrowing Program

Yahoo Finance

Stonk Tracker

Edit: As requested

Total Destruction of the Call Options Chain - No Sauce for the Goose - Nov. 25, 2021

Due Diligence

This is my DD. There are other great DD out there, find one that suits your bias if you disagree with mine. I'm sharing this because this is what I think is going on.

TLDR: Hedgies are fuk. Retail is holding more shares and fewer options now since Jan. DRS.

Petterfy spoke the truth

So I was thinking about the Thomas Petterfy interview a while back and he had some interesting things to say about the open interest in options for GameStop.

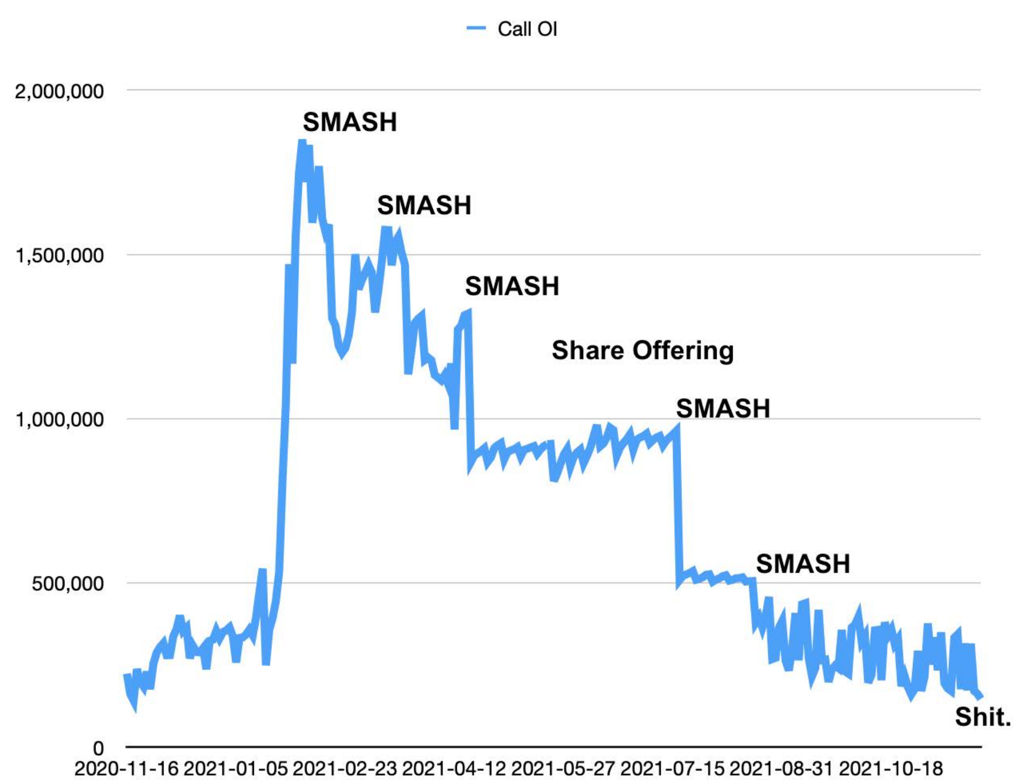
[Petterfy Interview]

Over 270 million shares of exposure, 150 million in options alone. For a stock that only had a float of 50 million at the time. The result would've been catastrophic, he said. Yeah.

I was wondering if that has that's changed as of today. Since interest in GME has only grown since January.

I pulled the **Open Interest data** for the last year. I paid a few dollars for a premium service to get that data. What I found was actually quite shocking. Apes are holding. Apes are not selling. But when it comes to options the story is completely different. It's impossible to Diamond Hand options. They expire. And so ... they have.

Here I specifically want to talk about Call Options. In the event of MOASS put options have absolutely no value, they go to zero. So we can effectively ignore them. Call options on the other hand will be exercised or converted to cash at the current share price. That makes them incredibly dangerous to hedges. It is in their best interest to get rid of as many of these open call options as possible prior to the MOASS, to minimize their exposure.



Total Open Call Interest for Jan 2021 to Nov 2021

And how successful has been been since January? Extremely successful! We reached a peak call open interest of 1.7 million calls in January, and persisted similar amounts even through February. Since then open interest has decayed dramatically. Some of the biggest drops occurred with the monthly options expiration dates.

Where do we sit as of today? We have just 147,000 open call options and over 50,000 of those will expire tomorrow. This will leave us with less than 100,000 open option contracts, which is the lowest number of options we've had since 2020. In other words the hedge funds have been successful at almost completely eliminating all our open call interest.

At 100 shares per contract, that is only 10 million shares. That's a lot compared to our float of 69 million shares, but that's a far cry from the 170 million shares of exposure they had in February. So, Hedgies are fuk, just slightly less fuk.

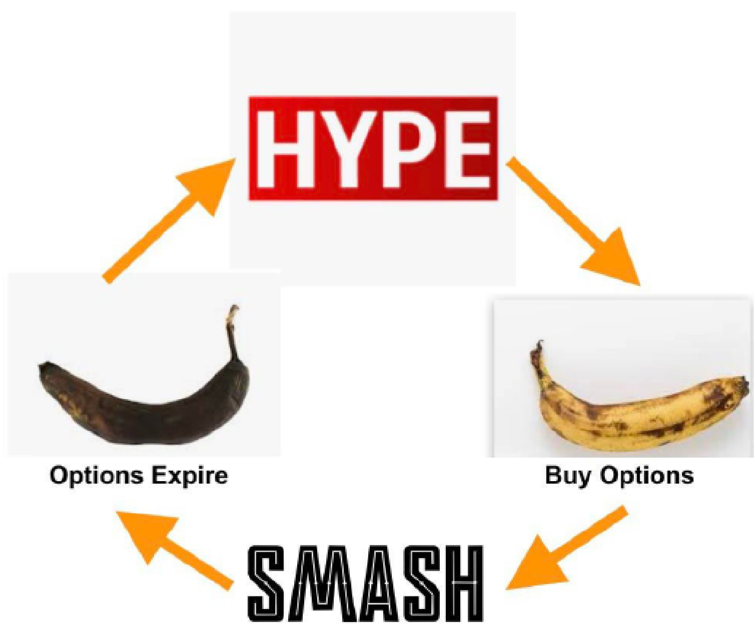
Checked the OBV and yup, Apes are still not selling their shares!

So, about that rip we were expecting last Tuesday …

I was looking at the 13% drop we had on Tuesday. If we needed a little reminder the hedges are still in **complete control of the price action**, we got it. They lost control in January, but ever since then all the price action has been almost completely under their control. Even the rips. That's my premise here, ok. Deal.

I have spent months trying to understand the price action. Looking for a cause, something that would explain the periodic explosive upward rips. We've looked at T +2, T +35, T plus X, quarterly, monthly, weekly cycles. Swaps, volatility swaps, all manner of exotic instruments. **And I do not want to poo poo on anyone else's solid research or theories!** (Respect.) But there was one thing that we have yet to consider, the most obvious answer: the hedge funds ripped it.

Why on earth would they do such a thing?? What possible advantage could there be to them moving the price up? They're short! They profit when the price falls! This is not like any other stock. On one side you have hedge funds and citadel. On the other side is retail. It's not about the company any more. This stock has become a battlefield.



We are good at the HYPE part and we like Bananans

The answer is they rip the price when the call open interest is low. Retail buys in when premiums are high. They smash the price when they call open interest is high.

On the way up the amount of value the options increase by his minimized on the way down the destruction of option value is maximized. They take profits in the difference.

Ever week and every month they try and get as many Lemmings onto the boat as possible before they sink it.

Hype - Rip - Smash - Expire - Rinse - Repeat

The key here is the increase in the total value of all the call options for the next expiry date while the price action moves up vs the subsequent decrease in their value when they move the price action down. Very similar to Max Pain theory, but only calls are relevant and the price action is completely under Hedgie/MM control and the goal is not to minimize financial losses but rather minimize total call OI knowing the future value of every call could be in the millions of dollars.

Every week options expire, and we've seen them bring the price action down to maximum pain time and time again. Every week more and more call options expire, reducing the total amount of expulsion exposure they have. After large chunks of options expire call open interest drops so we need to reload. They rip the stock up. People get excited. They buy more options. Every single week every single month they do this and we have been smashed time and time again. We've been punched in the face so many times that most people on the sub say don't mess around with options, just buy and hold! We are being trained every single week to get out of options. Which is what they wanted all along. From 1.7 million to 100,000, open call interest

Where rip?

So where was the rip last Tuesday? There was no need for them to rip the price. This sub, had already hyped up Tuesday like crazy. We bought over 50,000 options! They didn't need to jack the price action up we did it for them. On Tuesday they were more than happy to take our money, smash the price down to $210 and wipe out 50,000 call options. We thought the Tuesday rip was some inevitable quarterly spike for Futures or some shit. We never thought the hedges were the ones who were spiking the price action.

How do they rip the price? Simple. They cover. (**wtf?**) They don't cover the est 1000%+ short interest they still have on their books. They just need to cover some call, not all, of the massive numbers of points and shorts they created when the stock was at $350. By covering just a small fraction of that they can cause the stock to move up as much or as little as they like. They have total control over the daily price action of GameStop.

With less than 100k open call options remaining, hedges are as ready for MOASS as they will ever be. At least in terms of minimizing losses due to an impossible number of calls going ITM.

Complete control?

While the Hedgies may control the price action completely, months of watching them bring the price into Max Pain week after week, month after month, was like watching a pilot land a 747 on a runway. Perfect. However, there are still consequences to their actions. If they rip the price, they trigger FOMO. If they drop the price, Apes buy the freaking dip! Apes buying more shares is the last thing they want, which I believe explains why they chose to let GME run in the $170 to $320 range. Higher price means Apes can afford fewer shares. Also, the mega-dump of naked shorts they initiated in Jan at $350 puts an upper limit on how high they can let it run before margin calls.

Within this range they can jerk the price around to try and shake Apes off the options chain.

Is there any proof this is what they are doing?

Looking at the chart of open call interest … yes.

Call open interest lags from the price action. Let’s talk about the big three quarterly rips we’ve seen, that we thought were a result of Futures Expiry, Gamma Exp, FTD’s or other shit.

Feb 19th: 1.2M call options open, down from 1.8M on Feb 8th, stock closes at $40.69. We ran up to $91 three days later. Call open interest jumped to 1.5M.

May 21st: 923k call options open, stock closes at $180. We ran up to $254 three days later. 113k of call interest expired but it jumped right back to 907k.

Aug 20th: 396k call options open, stock closes at $159. We ran up to $205 three days later. Call open interest jumped right back up to 457k.

And what about the November spike? Where is our quarterly spike!! The big green dong!

Nov 19th: Retail yolo’s into call options, cranking them up from 171k to 315k, stock closes at $228.

Nov 26th: Over 50k worth of those calls will expire.

They can cover **whenever they want to** and move the price up. For November, they didn’t need to. We hyped up a date, loaded up on options and **caused** the spike we were all expecting, just a day or two early. They smashed the price on Hype Tuesday and took all our premiums. Tomorrow, the 25th, is the last day the Dark Pools could have been used to hide a rip after last Friday op ex. (24hrs from order entry Wednesday morning, +1 day for Thanksgiving.) If we run up 100% tomorrow, then this DD is wrong and the original Hype Tuesday rip was correct after all. Well, sorry. I am too smooth.

Ok, so are Hedgies still fuk?

Yes yes yes! Hedgies are still completely, utterly fuk.

There is simply **no way** for them to get Apes to sell their shares. Options may expire and they can make money jerking the price action around every week and month, but they cannot make us sell our shares. Ever.

Best they can do, get open calls down as low as possible. Over the last 10 months, they succeeded and at less than 100k open right now, this is as good as it gets for them. They still have to cover the 500-700 million naked shorts (or whatever it really is!) they created but at least they don’t have to pay out for an extra 270 million shares from exercised calls.

No sauce for the goose, but their goose is still *cooked*.

Knowing their options and price strategy we can at least defend ourselves against it. Don't sit on options that expire any time soon. Don’t yolo into weeklies, or even monthlies or leaps, time is not on our side when it comes to options, Theta will wipe us out sooner or later. It has wiped over 90% of our options since Jan. If you have a little extra cash, yeah, buy the dip!

And of course ... Buy! Hold! DRS! **Shares do not expire!**

Am I saying options are bad? No. They are tools. Like a knife they can cut both ways. There has been a lot of FUD regarding options lately. I am not say they are good or bad, but I am saying we have a *tiny fraction* of the open call interest we once had. Maybe Apes sold options and are sitting on shares! Is that good? Is that better? I wanna say ... yes, because Apes with options can't win vs an opponent that has dominant control over the price action.

Don’t try to time the MOASS. Apes don’t have to sell, ever. Hedgies don’t have to cover, ever. Nine months of this stalemate. Until there is an NFT dividend, share recall due to DRS or something else that breaks the stalemate. Who knows when. I certainly don't. :/

EDIT: **Specifically, when are options ok or good?** When you are making money on your options. Every dollar of profit is a dollar less in a Hedge wallet. **When are options a bad idea?** When you are losing money, every dollar your lose gets handed over to a hedgie. You wanna be a baller and play at the big boys table, fine, just *don't lose any money*.
If *you* can anticipate how *they* will move the price action, and enter and exit an option at the right times, and avoid the inevitable Theta decay, and turn a profit, then go forth Sir Ape-a-lot, and smite these Hedgies with your Rubber Chicken of Doom!

What this means for future price action? If this is what they are really doing?

We are at the lowest, number of open call options they’re gonna have for a long time. Flush with cash from crushing options for eight months, as ready for MOASS as they are ever going to be. From here on, they will try to keep jerking the price to keep Call OI as low as possible. Running the price up when call OI is low right after expiry dates and again smashing it down into the next expiry date. After they burn this weeks options by holding it at $212, they can run it up to $250 next week since there’s very little open interest below that strike right now, it’s a clear run.

There is a ton of Call OI in Dec and Jan, but it’s all at $300 to $950, so if they move GME to $299 they can keep option premiums high, Apes buy fewer shares with their pay checks and they can wait until Jan 21st when the vast majority of the remaining Call OI will expire worthless.

Hedgies will try to run out the options clock, keep the price as high as they can, below $300 until Jan Op Ex whatever price causes us the Maximum Call Pain.

Come on RC, let’s go!

Shorter Shorts every day - Why they keep digging the hole deeper and deeper - Dec. 11, 2021

Due Diligence

This is some DD I did for myself. I'm sharing it because you might find some of this interesting. If you don't like it, there are many other excellent DD to suit your bias. GLHF.

Here, I wanted to return to first principles and look at what the current short position looks like for the Hedgies right now. bc curiosity.

Not all the shorts were created back on Jan 27th, many were certainly, but to understand the ***current short position*** on GME we need to consider the price at the time each batch of shorts was created and sold into the market over all the days since Jan 27th. This allows us to determine whether they are are up or down on their total position.

So, I pulled the historical Short Volume Data from Chart Exchange and cross-referenced it with the GME price history from Barchart. The NYSE Short Volume (not to be confused with Short Interest) is the number of trades each day that involve a Short sale. When Short volumes exceed Long Volume you have a net accumulation of Short Interest. (Nekkid Shirts!)

Here are my assumptions for this analysis:

1. My analysis begins on Jan 27th, GME was just about to moon and they turned off the BUY button. Daddy Citadel and Point72 came in to bail Melvin out to prevent the game from being exposed.
2. For purposes of this DD I will ignore any bazillion-share short position they might have had *previous* to this date and assume Cit/72 opened new shorts at this time, establishing a fresh new short position as of that date.
3. The bad guys have some way to create an effectively *unlimited* number of naked shorts. By means of Future Swaps, Volatility Swaps or whatever mechanism it is they are using. I don't know what that mechanism is, please browse other DD's if you want to go down that rabbit hole, but here shorts are shorts are shorts and I am not focusing on how the magic hat they got pulled out of.
4. The Short Volume of the stock is being generated 99% by the bad guys. This is a battle between Apes and Hedgies but a few day traders might have got burned trying to short GME but the vast majority of the financial pain lies with Cit/72/Melvin.
5. The difference between the Short Volume and Long Volume represents the net number of Short shares created every day. i.e. When Short Volume exceeds Long Volume you have a net increase in Shorts that day. When Long exceeds Short, there is some covering we will assume.

For reference, some current tickers for Short Volume stats:

Ticker	30-Day Avg Short Vol	Seems normal?
AAPL	48.85%	Normal
TSLA	49.83%	Normal
Popcorn	48.05%	Normal
Ford	45.85%	Normal
AMD	55.83%	High
KO	43.98%	Normal
GME	59.95%	Insane

Ok, let's go!

Short Volume by Exchange chartexchange.com

Page 1 / 38 Volume Percent Download

Date	Total Short Volume Reported[2]	Total Volume Reported[2]	FINRA[3] Off Exchange	Cboe[4] EDGX
2021-12-10	59.47	3,586,346	28.91	5.38
2021-12-09	70.90	4,022,788	32.03	12.30
2021-12-08	65.96	1,732,349	30.25	13.49
2021-12-07	68.92	1,315,987	23.39	11.75
2021-12-06	51.84	1,672,427	28.17	6.39
2021-12-03	65.85	3,232,865	29.56	8.53
2021-12-02	68.57	1,647,501	31.57	9.36
2021-12-01	64.02	1,931,382	30.62	9.47
2021-11-30	65.92	1,463,551	28.42	10.01
2021-11-29	61.91	941,426	25.53	10.84
2021-11-26	58.57	971,284	26.16	9.69
2021-11-24	48.63	1,104,615	26.26	4.98
2021-11-23	50.35	2,784,936	24.54	8.78
2021-11-22	56.84	3,583,480	25.87	9.08
2021-11-19	56.40	2,540,608	22.01	11.82
2021-11-18	61.76	806,222	23.16	10.63
2021-11-17	62.38	1,108,898	22.75	14.24
2021-11-16	63.70	1,020,212	24.53	13.89
2021-11-15	65.43	1,243,271	28.70	11.55
2021-11-12	62.61	752,006	26.04	12.72

Nov 23th was a dark day, but less Short Volume??? Also box is off by one. :(

Time	Open	High	Low	Last	$Change	%Chg	Volume	total_short	total_long	Net Short	Position
12/10/2021	159.83	162.30	148.00	159.01	3.25	2.09%	4,526,800	2,132,741	1,453,605	679,136	$0
12/09/2021	167.00	172.69	151.00	155.76	-17.89	-10.30%	5,084,300	2,852,193	1,170,595	1,681,598	-$5,465,194
12/08/2021	176.60	180.25	171.96	173.65	-4.16	-2.34%	2,611,100	1,142,738	589,611	553,127	$8,097,779
12/07/2021	175.18	181.98	170.51	177.81	10.69	6.40%	1,972,300	906,916	409,071	497,845	$9,359,486
12/06/2021	166.00	173.34	163.20	167.12	-5.27	-3.06%	2,228,600	866,935	805,492	61,443	$498,303
12/03/2021	181.00	183.93	159.05	172.39	-9.17	-5.05%	4,096,600	2,128,757	1,104,108	1,024,649	$13,709,804
12/02/2021	185.00	187.43	173.07	181.56	1.72	0.96%	2,087,100	1,129,737	517,764	611,973	$13,799,991
12/01/2021	199.40	200.11	177.01	179.84	-16.37	-8.34%	2,355,500	1,236,519	694,863	541,656	$11,282,694
11/30/2021	200.10	203.95	188.00	196.21	-5.8	-2.87%	1,723,900	964,716	498,835	465,881	$17,330,773
11/29/2021	204.00	207.91	200.94	202.01	2.29	1.15%	1,108,800	582,862	358,564	224,298	$9,644,814
11/26/2021	208.08	211.73	199.20	199.72	-12.06	-5.69%	1,235,200	568,905	402,379	166,526	$6,779,273
11/24/2021	217.25	223.99	208.00	211.78	-2.12	-0.99%	1,309,300	537,187	567,428	-30,241	-$1,595,818
11/23/2021	243.84	252.20	212.56	213.90	-33.65	-13.59%	3,351,600	1,402,123	1,382,813	19,310	$1,059,926
11/22/2021	230.46	249.64	229.75	247.55	18.75	8.19%	4,379,600	2,036,947	1,546,533	490,414	$43,421,256
11/19/2021	209.14	229.39	208.25	228.80	18.68	8.89%	3,043,700	1,432,806	1,107,802	325,004	$22,682,029
11/18/2021	210.25	215.14	207.50	210.12	0.12	0.06%	1,005,700	497,898	308,324	189,574	$9,689,127
11/17/2021	206.30	217.70	206.00	210.00	2.82	1.36%	1,352,700	691,786	417,112	274,674	$14,005,627
11/16/2021	209.02	212.57	203.63	207.18	-1.96	-0.94%	1,214,500	649,926	370,286	279,640	$13,470,259
11/15/2021	203.86	211.50	201.69	209.14	7.04	3.48%	1,466,400	813,519	429,752	383,767	$19,238,240
11/12/2021	202.14	205.36	197.88	202.10	-2.22	-1.09%	927,900	470,848	281,158	189,690	$8,173,742
11/11/2021	200.00	208.09	198.15	204.32	5.13	2.58%	1,079,400	524,102	371,044	153,058	$6,935,058
11/10/2021	202.12	207.39	196.50	199.19	-7.41	-3.59%	1,309,300	630,979	475,623	155,356	$6,242,204
11/09/2021	222.00	223.49	204.44	206.60	-12.04	-5.51%	1,845,200	875,426	687,792	187,634	$8,929,502
11/08/2021	212.50	225.04	212.01	218.64	5.39	2.53%	2,157,900	960,182	885,143	75,039	$4,474,576
11/05/2021	220.64	221.00	209.01	213.25	-4.59	-2.11%	1,810,700	839,893	622,763	217,130	$11,777,131
11/04/2021	222.00	228.97	211.55	217.84	-0.49	-0.22%	2,907,900	1,443,259	991,472	451,787	$26,578,629
11/03/2021	214.00	255.69	208.25	218.33	11.34	5.48%	11,265,500	5,441,272	4,150,847	1,290,425	$76,548,011
11/02/2021	199.35	211.94	191.69	206.99	6.9	3.45%	3,882,300	1,713,983	1,285,207	428,776	$20,572,672
11/01/2021	182.53	208.57	182.05	200.09	16.58	9.03%	4,944,200	2,582,883	1,542,970	1,039,913	$42,719,626

Net Short and their current Positions at the current Share price

I had questions …

What the average number of shares shorted every day in 2021?

1,107,157 shares/day

What the average number of shares shorted every day since July 1st?

513,647 shares/day

What the average number of shares shorted every day this month?

499,647 shares/day

What does that cost them?

Nothing. Because they are coughing up phantom shares and taking $72M of real money and putting in their bank account. It does create an 'obligation' to repurchase those shorts later (cough cough) but in the meantime, there's a liability and a pile of cash matching it, so they are net neutral on the trade until the share price starts moving. Same as how any trader conducts any normal Short selling.

Does the number of shares shorted each day correlate with the drop in price action?

No. Surprisingly.

Take November 23rd for example. A terrible day with -13.59% drop in the share price, and yet Short Share Volume was nearly equal to Long Volume! This was surprising to me. I expected that naked Shorting the crap out of the stock would smash the price down. Well, it's more correct to say that selling stock consumes the Level 2 ask and that moves the price down. What is being sold doesn't really matter. I assume what they have done here is naked short some shares prior to such days and have a Hedgie buy the nakeds, they turn around and sell them back into the market at a later date to make them look like Long Volume selling. i.e. A wash sale. That way they can make it look like Apes are selling and the price *isn't* dropping due to naked shorting. I think apes were probably too smooth-brained to fall for such an advanced level of misdirection, but I mention it here cause the lack of correlation was itself an interesting aspect.

Regardless of whatever MM tricks they're using, the total average short volume does not lie, they may save it up and wash it for their short attacks but in the end the numbers show they continue to relentlessly short the stock on the daily.

What does their position look like from Jan 28th until now?

They are up **$5 Billion** on their short position!

Before you start flipping poo at me, you should also know they were **DOWN** on their position on Nov 19th at a **massive** -$15B loss when the stock was eighty bucks higher.

What? Yeah, that is some serious price sensitivity there. Given the massive number of shorts and the current proximity to the average price they were entered at, $188, **small fluctuations** here cause multi-billion dollar swings in the position.

Well, since the short volume numbers indicate they initiated their position as VERY HIGH levels, like 7.7M new shorts opened at $347 on January 27th. So long as we continue to trade below that price, those shorts are PROFITABLE. Not all their shorts were opened at that level, so to determine their current net position we need to consider how many shorts were opened (or covered) every single day at the average price for that day, keep a running tally of what their gain/loss looks like.

Total number of shorts added since Jan 27th:

245,788,815

Average share price for shorts added since Jan 27th:

$188

That means that they start taking losses, cutting into their margin, at any price **above** $188.

Oook Oook, Compete Spatulative Bits Now …

I wasn't going to include this but this is actually the entire reason I started this DD, to determine the MM's pain threshold.

Proceed with caution from here on … this is wild speculation.

There are other DD's out there that calculated these additional shorts. Yes 245M that's over 3x the float, blah blah blah, but if they are using legal mechanisms to short and using tricky things to report a mere 13.59% SI then I don't know what else I can add to that analysis. Go read one of those DD"s if that suits your bias. What I want to focus on here is how close they are to blowing up their margin, cause Marge ins't gonna care about what SI you report, when it comes to money I trust the Banks are gonna be watching like a hawk. Despite the giganormous size of this short position, so long as the MM's keep us below $188, it is a *profitable* position and you can't margin call them.

How high can the Share Price rise before Marge calls?

Ok, I don't know that. Tricky trickers gonna do tricks. But I'm gonna put my galvanized tin foil hat on and make one last assumption: The hyper-aggressive shorting that started Nov 23rd and drove the stock from $248 to $159 was necessary because it hit their pain threshold. Yes, that is a HUGE frikkin assumption and it might be totally wrong.

The BABY stock spiked on Nov 1st adding an unexpected burst of buying pressure and apes were snapping up options like crazy. By Nov 23rd they were in the hole by -$13.9B when the share price hit $248.

Perhaps the simply had to smash it to get their margin down. Yes, they dug the hole deeper by shorting *an additional 6M* since then, but below $188 the total position is in the green!

IF this was their so-called pain threshold, is there any supporting evidence that backs it up?

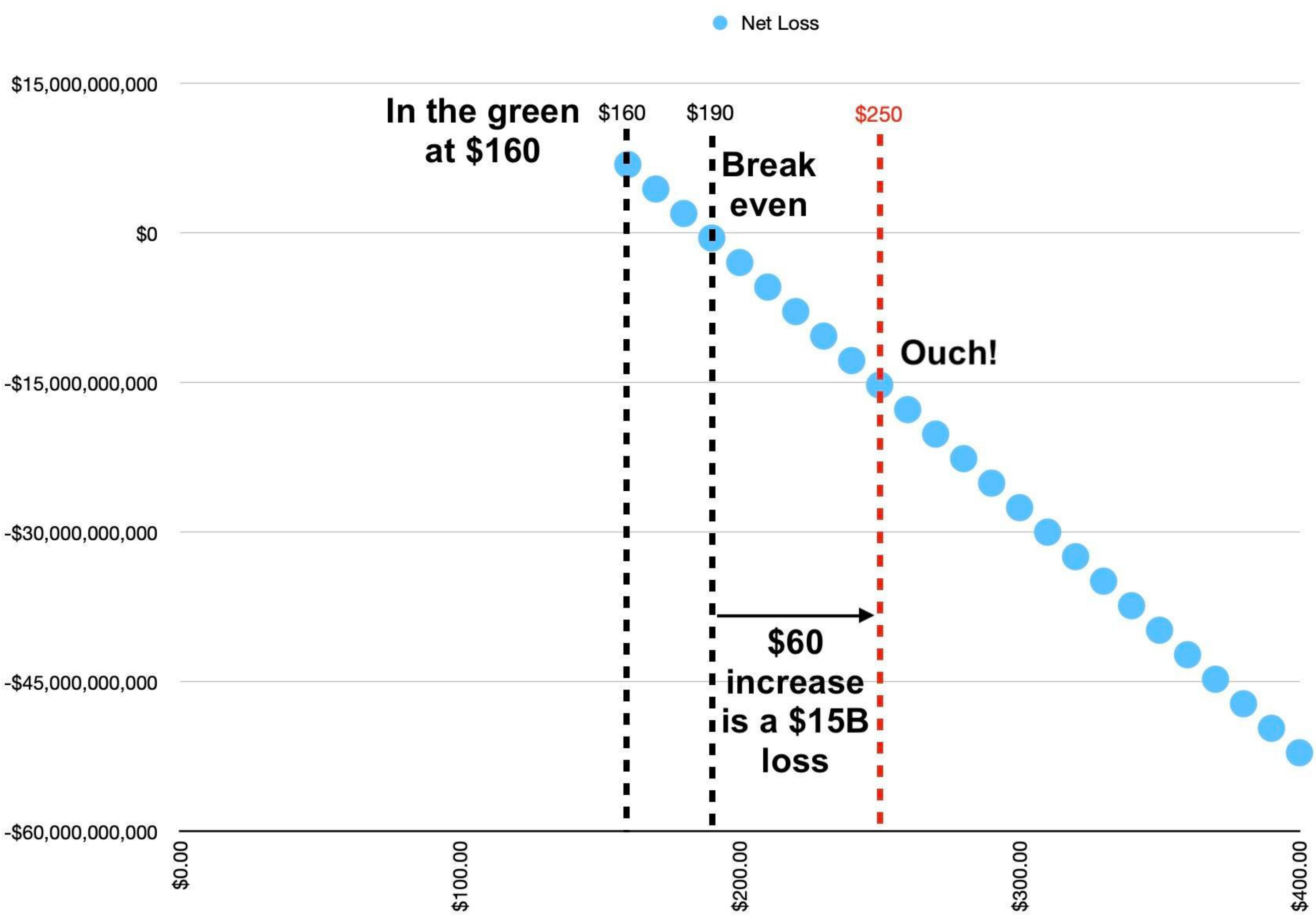
Maybe. We might have hit their pain threshold before actually. A few times.

What happens when we cross the line?

The current position-neutral price for all their new shorts might be $188 today, but it has been decreasing every day since Jan 27th. As their short position has grown, it has become increasingly sensitive to fluctuations in the price action. Smaller increases in the share price multiplied by an ever-larger number of shares shorted are needed to hit that same $14B pain threshold.

I drew in the line that represents the $14B pain threshold over the chart, set the slope to reflect the average increase in shares over that same time period. What I mean by this, is that the pain threshold is decreasing at a rate of $0.29 per day, $1.46 per week and was $38 higher at the end of June than Nov 24th.

If current short volumes stay at current levels, the pain threshold drops $8 (to $240) over the next four weeks and every four weeks after that.



Sensitive chart, look at it gently

In the end we truly do not have any way to know what kind of losses they can tolerate.

Looking at these numbers, yeah, I guess it makes sense to short the stock down to $188 so they don't get margin called.

Another 6M shares in the hole to move the price down is worth it if you've got well over 250M shares shorted already.

The current sustained buying pressure in the face of such relentless shorting means the walls are inevitably closing in here. To prevent margin calls they will need to keep shorting it and as the short position increases in size the pain threshold will continue to fall. Doom Loop scenario, but suggests a massive decrease in price will immediately precede the MOASS.

In terms of proof-of-concept, let’s keep an eye on the share price and see if we see another *rejection in the price action at $240* over the next four weeks and again at $232 in the subsequent four weeks.

Sources (Pls check my maths I am smooth sometimes ...)

Chart Exchange

Stonk Tracker

Yahoo has bizarre volume numbers

Barchart

TLDR; Shorts getting shorter every day. Hedgies start bleeding billions when the stock goes over $188. Buy, Hold, DRS!

NYSE Threshold Securities List: XRT added Dec 17th

News

As of Dec 17th, the **XRT** is now on the NYSE Threshold Securities list.

Mods: This is not brigading, the XRT is highly relevant to GME.

GME and the other ETFs containing GME do not appear to be not. The XRT was not on the list the day prior, Dec 16th. This marks Dec 17th as the fifth day the XRT has exceeded FTD threshold limits.

[NYSE Threshold Securities List](#)

XRT SPDR S&P Retail ETF

Also the *brand new* **Roundhill MEME ETF!**

Date

2021-12-17

Market

xrt

Symbol	Security Name	Trade Date	Market
XRT	SPDR S&P Retail ETF	2021-12-17	NYSE Arca

Hello XRT!

Shares outstanding: 7.3M

0.5% of shares out: 36,500 (min condition to get on the list for XRT)

"When a security appears on the threshold list. **It will remain on there for a minimum of 5 days**. The aggregate amount of FTDs need to go under the threshold for at least 5 consecutive days. This means even if you close out all threshold FTDs but an equal number of new ones pop up the same day then the aggregate is still the same and the FTD number is still higher than the threshold.

FTDs that started the list are already on 5 days when the security pops up on the threshold list. ***If they stay on the threshold list for 7 days, they will need to be automatically closed out*** *or the broker and it's associated market maker can not mark sales as short until they are cleared. Therefore, we see auto closing out by market makers so they can continue shorting.*

FTD's that pop up while a security is on the threshold list have T+13 days to close out those positions or be blocked from shorting. New FTD's that pop up while the security is on the threshold list has to abide by the T+13 settlement cycle and can not revert to the T+35 consecutive day cycle."

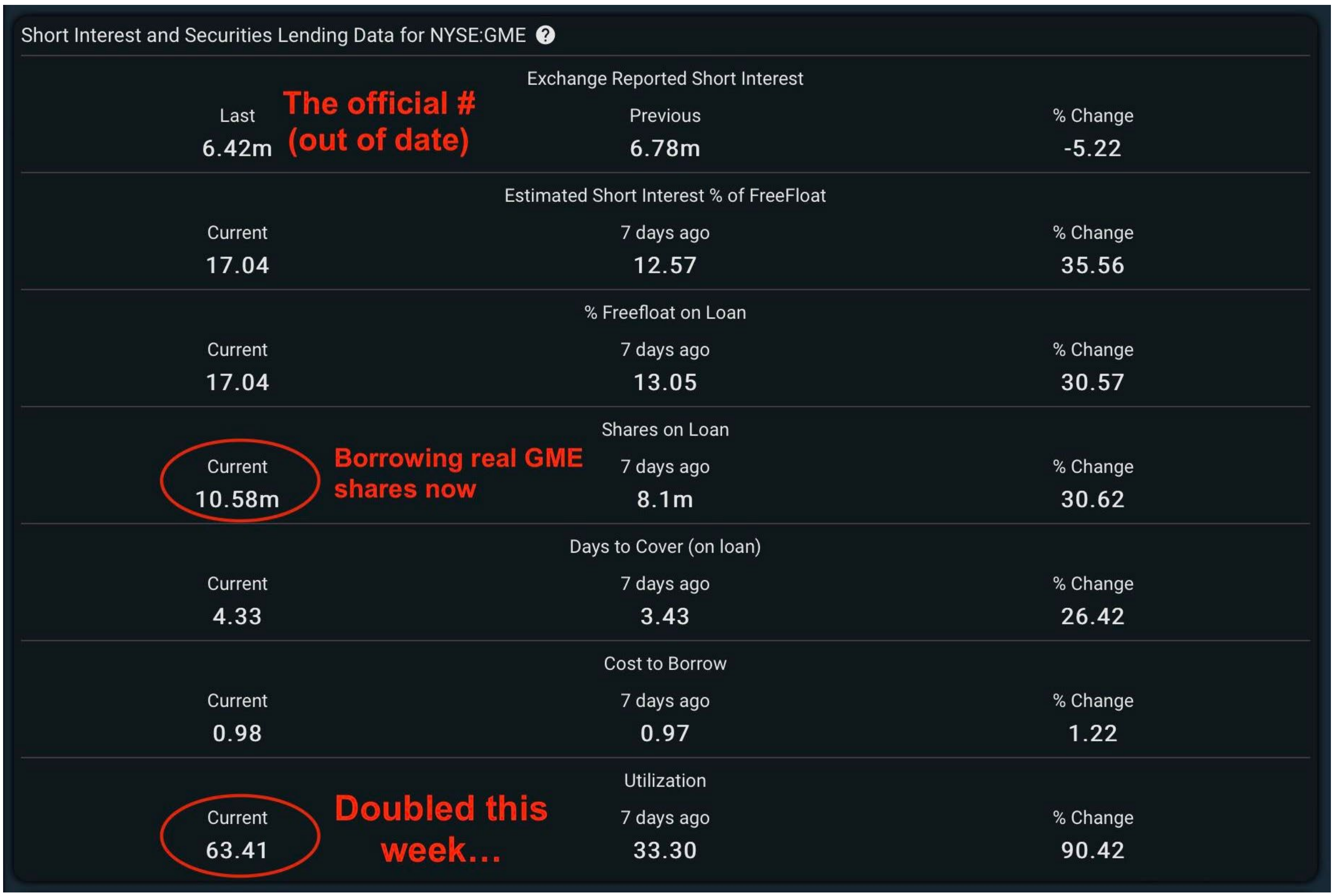
Latest ESTIMATED Ortex Technical Analysis of GME Short Interest Data - Dec. 19, 2021

Technical Analysis

Screen Shot of the latest GME data from Ortex on Short Interest.

Friday, Dec. 17th was an interesting day as we saw a significant uptick in GME share borrowing and short interest. We haven't seen that in a long, long time, since they usually prefer to short via the ETF's.

The mad dash from 33% to 63% utilization in less than a week ... wow, just wow.


Short Interest and Securities Lending Data for NYSE:GME

Exchange Reported Short Interest	Last 6.42m	Previous 6.78m	% Change -5.22
Estimated Short Interest % of FreeFloat	Current 17.04	7 days ago 12.57	% Change 35.56
% Freefloat on Loan	Current 17.04	7 days ago 13.05	% Change 30.57
Shares on Loan	Current 10.58m	7 days ago 8.1m	% Change 30.62
Days to Cover (on loan)	Current 4.33	7 days ago 3.43	% Change 26.42
Cost to Borrow	Current 0.98	7 days ago 0.97	% Change 1.22
Utilization	Current 63.41	7 days ago 33.30	% Change 90.42

After months being flat ... boom goes the dynamite.

We should be talking about this IMO, so pls updoot for viz if you agree. I care not for the awards, here for the moass baby ...

At this rate of increase in utilization, we'll max out lendable shares in a matter of *days*!

Friday with the boom candle might be a one-off event, so can't draw a trend from one day, but it does seem significant that we could see such a large incr in util for such relatively low volumes last week.

The interesting part here to me is the day they put 2 of their ETF's on the Threshold Sec list, they're also dipping into GME to borrow real shares. That's new. Could imply they are at the end of their short rope?

Disclaimer: This is Ortex data. This is their best-guess ***estimate***. Some peeps have concerns with them as a source. I am posting this bc I haven't seen much visibility on this on the sub this wknd and the implications in the data could be important to know going into next week.

Buy. Hodl. DRS.

Short Volume Imbalances in ETFs containing GME: A case study in the newest MEME ETF - Dec. 21, 2021

Due Diligence

The newly created **Roundhill MEME ETF** was recently addd to the NYSE Threshold Securities list just **nine days** after it launched.

This gives us a very unique once-in-a-lifetime chance to look at how Short Volume actually reflects short sales and naked shorts.

TLDR: Naked Shorts in an ETF that contains GME.

Below is the daily listing of Short and Long volume for the ETF. Check it out!

Date	Total Short Volume Reported	Total Long Volume Reported	Total Volume Reported	% Short Volume	Min. Calculated Shares Short	FINRA3 Off Exchange	Cboe4 EDGX	Cboe4 BZX	Cboe4 EDGA	Cboe4 BYX	Nasdaq5 BX	NYSE6	NYSE6 Arca
2021-12-08	71,043	6,452	77,495	91.67%	32,296	42,972	3,113	1,689	200	600	401	0	22,068
2021-12-09	31,607	17,794	49,401	63.98%	6,907	11,508	6,292	849	101				12,857
2021-12-10	38,030	19,745	57,775	65.82%	9,143	16,098	1,377	0	78			100	20,377
2021-12-13	13,905	10,302	24,207	57.44%	1,802	4,485	2,458	250					6,712
2021-12-14	7,049	8,642	15,691	44.92%	-797	4,368	1,637	19					1,025
2021-12-15	11,126	5,502	16,628	66.91%	2,812	4,383	2,476	500					3,767
2021-12-16	9,734	2,500	12,234	79.57%	3,617	4,509	1,041	200					3,984
2021-12-17	9,265	6,407	15,672	59.12%	1,429	7,731	618			255			661
	191,759	**77,344**	**269,103**	**66.18%**	**57,208**	**96,054**	**19,012**	**3507**	**379**	**855**	**401**	**100**	**71,451**
Shares Outstanding	200,000												
Thresh Limit	1,000												
2021-12-20	6,186	2,284	8,470	73.03%	1,951	3,583	1,111	92			1,400		
2021-12-21	2,866	3,656	6,522	43.94%	-395	**2,866**							

All ten days of this ETF trading ... in Dark Pools

It launched on Dec 8th and on its first day had a whopping **91% short volume**. 71,043 shares were sold short that day, and with a mere 6,452 shares sold as long transactions.

THEY SHORTED THE SNOT OUT OF IT ON DAY ONE.

Two days later (T+2) the ETF had its first FTDs and these were in excess of 1,000 which is the limit for the ETF which only has a mere 200,000 shares at launch.

Dec 13th, the ETF is day 1 of being above the Threshold Security limit.

Dec 17th, the ETF is day 5 of being above the Threshold Security limit and is added to the official list.

Note the daily % Short Volume numbers. Above 50% every day except one and looking at the most recent data for the 20th and 21st, there is a net increase in shares short so it doesn't appear they are clearing their FTD's yet.

The next piece of the puzzle to complete our view and understanding of the relationship between Short Volume, FTD's and the accumulation of naked shorts, will be the release of the official FTD list, which is published only twice a month. We will be able to see if the numbers of actual FTD's match up with what we have calculated as **Min. Calculated Shares Short.** (i.e. Short Vol minus Long Vol)

With no prior history, there is no case for a 'bank' of shares that could have been used.

There have been lots of people out there who rolled their eyes and brushed off the idea that Short Volume means anything. In fact they often cite the case that high Short Volume is in fact *bullish*!

That is not correct, because it doesn't account for the balancing trade in that initial short transaction. Short vol *up to* 50% could, *could*, represent long interest. Short *can* also be entirely naked short volume. Those short sales need a long to get the MM's back to net neutral.

This ETF is a perfect little snapshot debunking that misconception, because we have the entire history of this ETF right here with a little bow on top.

Quick Example of Short Volumes

Day 1, 5 apes buy shares from a broker and the broker doesn't have the shares. It's a new ETF. The broker naked shorts five shares, gives each ape a share and the apes go away happy. Five transactions for the day, all short, that's 100% Short Volume on day 1. Yes, it was all long volume, bc the apes were buying. But that isn't where this ends. The broker themselves have a deficit of 5 shares they need to deliver to those apes.

Day 2, the Broker puts in an order for 5 shares in the open market, at one penny less per share than they bought them. A long transaction. Five apes sell them 5 shares. The Broker makes a penny profit on each share. The total Short Volume for the day is zero, it's all Long Volume, and the Broker delivers the shares they owed to the apes. All good.

If you look at only Day 1, you would think 100% Short Volume could actually represent long bullish interest by these apes, but you cannot look at it in isolation. If you look at both days together, you've got 5 short volume and 5 long volume, 50% Short Volume total for the two days. That's the limit, 50%, that entirely Long transactions can be represented as.

If on Day 2, we had only **4** apes sell shares to the Broker, then they still owe one share which they will fail to deliver to one of the apes who they shorted it to in the first place. Five short transactions, four long transactions, Short Volume is now *above 50%*, at **55%**, one ape has an IOU and the MM has one FTD.

Looking at the MEME ETF, we see some apes are not gonna get their shares for Christmas. Nothing but IOU's in their stockings.

Wut mean?

Short Volumes over 50% for long periods of time indicate an accumulation of naked short selling.

For the MEME ETF, oh yeah, high average Short Volumes certainly did represent naked shorts.

Even the SEC themselves acknowledged **protracted** short volumes in excess of 50% "*contradicts the expected natural result of a properly functioning marketplace*."

Ok, so … where are all the short shares from the Short Volume imbalance?

They are piling up in the Obligation Warehouse, *en masse*. We'll look more in the OW soon, as best we can bc we are literally NOT allowed to know what's in there. Can say this, it does *appear* that the path to get shares into it is through a Dark Pool. I suspect that DRS, especially shares bought through the NYSE or IEX, (not sure about transfers yet) are a huge problem for hedges bc they can't internalize them or make them disappear forever in the OW.

I can't wait to see the next FTD report on our newest little meme ETF. We're gonna see just how bad it really is. :)

Buy. Hold. DRS. Now, more than ever.

Sources

https://chartexchange.com/symbol/nyse-meme/stats/(Search MEME and Stats tab)

If you want to dig deeper into the official SEC investigation on Short Volume on XRT: SEC REPORT

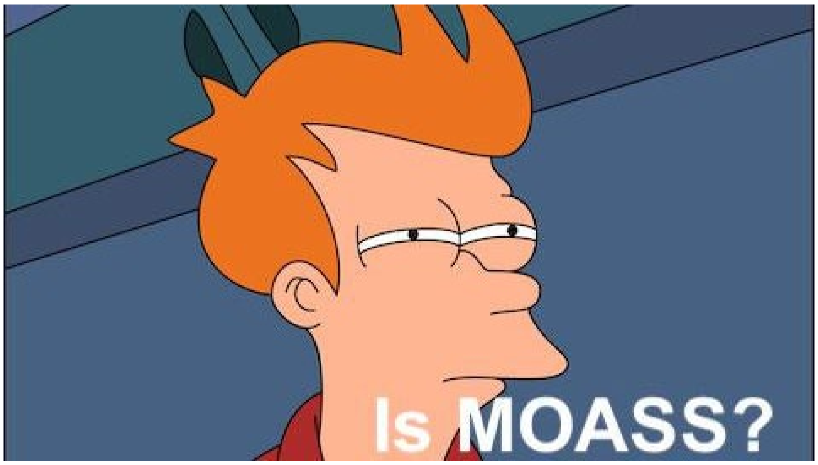
Deep Dive into +30% AH action from today. Complete Destruction of the Call Options Chain, Part 2: More Sauce for the Goose - Jan. 7, 2022

Due Diligence

Wow, what a day, can't wait for market open!

But after 11 months of constant bs we've been through, I'm super sus ape there's something wrong with todays AH price action.

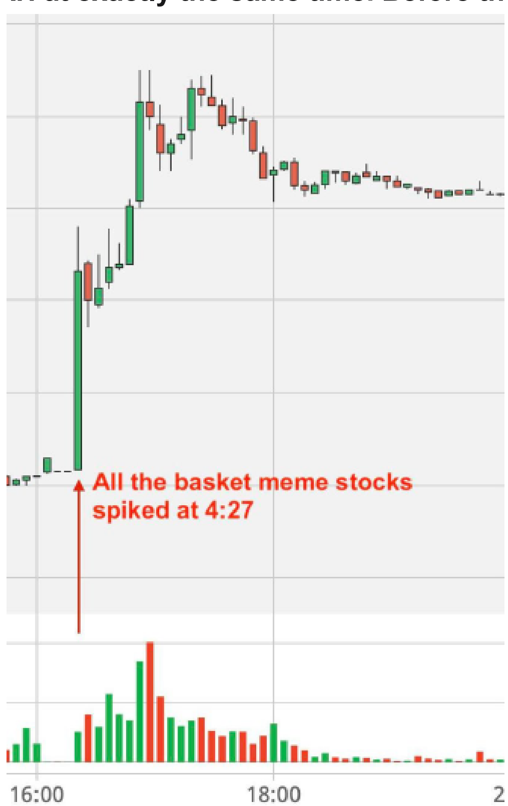
If this is MOASS, ok. Me and all my DRS'd shares are ready. LFG! But, IF this is another hedgie trick, **let's talk about it** ok and figure out their game plan. +30% is not the MOASS. Might be the start of it, but it's not the MOASS.



pls

There is a lot of suspect shit going on here tonight, I don't know what it all means but I'm putting it on your radar so we can figure it out together. This is what I have collected:

SUS #1: All the meme stocks spiked in AH at exactly the same time. Before the WSJ article dropped.

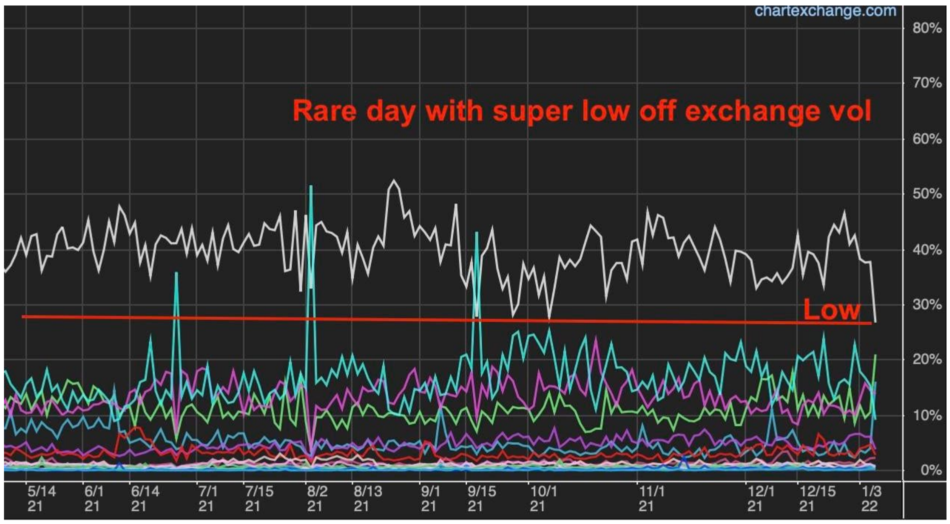


This is less indicative of FTD covering or one Hedgie vacating the position suddenly. This is more like the linked basket-of-stocks behaviour we have seen many times before. Other posts have gone into more detail on this. I just want to add this was planned and controlled action.

We know that there was no “roll” on Nov 19th as we had expected, and Jan 7th is the T+3+6+35c from that date.

SUS #2: Jan 6th had the lowest percent Dark Pool activity in months.

Really? You boys just gonna let all that retail go to the lit?



SUS #3: Trading flat for three weeks … after getting slammed down hard

We’ve been in a range since Dec 17th, with constant put walls up while they cover. This might have been used to cover a bunch of FTD’s in advance of the upcoming Jan 7 swaps date. We had 1-3M in vol each of these days, hard to say how much covering could have occurred is difficult. The consequence for this action is there are millions of dollars still in these put walls, which will get unceremoniously smashed today.

So, they used the time to cover some shit. We've seen them cover-in-advance to throw us off our timings, like Nov 19 and Nov 22nd.

SUS #4: That WSJ article itself.

They could have chosen to release it at any time, they chose a time AFTER market close, the DAY BEFORE the big spike we have been expecting from Nov 19th fail to cover their CME swap position. The article has NO new info this sub was not already aware of. It was picked up by every mainstream org despite months and months of them bashing us.

Clearly, they stole RC’s thunder here. The hedgies have been living in fear for weeks on end, knowing GS could drop a bomb on their heads at any time, so they put out that article not only as a super-convenient cover story.

If you read the article, it makes the whole NFT thing seem pretty meh. We all know the potential of it, but the general public won’t, so it really comes off as a big dud. They have pre-empted the epic moass-inducing announcement with **a weak-sauce leak**.

There are other posts that are digging into this more, I just want to point out that coordinating between Citadel, Melvin, Point72, CNBC, WSJ, MW, Virtu must pose quite a challenge which is why we see errors like time-travelling articles, synchronized covering and ham-handed fud campaigns.

We see what you did there.

SUS #5: That other sub is going max YOLO

As someone who has been banned from it a couple times, that sub is controlled by hedges. If you disagree, stop reading here. But, for such a *tightly* controlled sub, the **content** of the YOLO plays is quite interesting, go take a look for yourself, it’s all a bunch of option plays. How did these guys pick up those options, AFTER the options market has closed? When we reopen tomorrow, the IV is going to make tomorrows options INSANELY expensive. (At least until there is an IV crush.)

No links, go verify for yourself on this one, even a few minutes on that sub makes me vomit.

SUS #6: There simply aren't that many Call going ITM tomorrow.

Strike	Moneyness	Bid	Midpoint	Ask	Last	Change	%Chg	Volume	Open Int
130.00	+0.79%	3.40	3.75	4.10	3.80	-2.10	-35.59%	1,154	27
135.00	-3.03%	1.45	1.63	1.80	1.60	-2.25	-58.44%	1,482	305
136.00	-3.79%	1.25	1.36	1.47	1.34	-2.01	-60.00%	268	61
137.00	-4.56%	0.99	1.10	1.20	1.10	-2.15	-66.15%	265	56
138.00	-5.32%	0.89	0.94	0.99	0.89	-1.96	-68.77%	213	56
139.00	-6.08%	0.63	0.76	0.88	0.73	-2.03	-73.55%	168	42
140.00	-6.85%	0.64	0.65	0.65	0.64	-1.66	-72.17%	1,121	45
141.00	-7.61%	0.50	0.54	0.58	0.55	-1.59	-74.30%	259	144
142.00	-8.37%	0.39	0.45	0.50	0.42	-1.49	-78.01%	185	86
143.00	-9.14%	0.39	0.41	0.43	0.39	-1.31	-77.06%	161	69
144.00	-9.90%	0.28	0.33	0.38	0.42	-1.47	-77.78%	109	86
145.00	-10.66%	0.28	0.31	0.33	0.33	-1.41	-81.03%	613	261
146.00	-11.42%	0.23	0.26	0.29	0.25	-1.25	-83.33%	106	194
147.00	-12.19%	0.20	0.23	0.26	0.22	-1.07	-82.95%	65	212
148.00	-12.95%	0.19	0.21	0.22	0.20	-1.04	-83.87%	84	181
149.00	-13.71%	0.18	0.20	0.21	0.20	-0.87	-81.31%	70	497
150.00	-14.48%	0.17	0.18	0.19	0.18	-0.88	-83.02%	1,772	1,164
152.50	-16.39%	0.13	0.14	0.15	0.13	-0.69	-84.15%	316	320
155.00	-18.29%	0.11	0.11	0.12	0.12	-0.58	-82.86%	292	870
157.50	-20.20%	0.09	0.10	0.11	0.08	-0.54	-87.10%	64	423
160.00	-22.11%	0.08	0.09	0.10	0.09	-0.45	-83.33%	382	1,267
162.50	-24.02%	0.07	0.08	0.09	0.07	-0.46	-86.79%	112	292
165.00	-25.93%	0.06	0.08	0.09	0.06	-0.37	-86.05%	268	1,618
167.50	-27.83%	0.05	0.07	0.08	0.07	-0.31	-81.58%	48	313
170.00	-29.74%	0.04	0.06	0.07	0.04	-0.32	-88.89%	659	1,014

Meh

Actually not a lot

I’ve written previously about the **systematic** and **complete** destruction of our call options chain. Ever since Nov 23rd, we’ve been hammered every single day until just a few hundred calls remained ITM for Jan 7th. I believe their target right now is to dodge the 61k of OTM call options on Jan 21st.

Option data

Call/Put contract In The Money (ITM). (last update: 2022-01-06T16:30:01-05:00)

	Calls		Puts	
Expiry date	**ITM**	**OTM**	**ITM**	**OTM**
2022-01-07	378	31,030	9,277	10,168
2022-01-14	37	7,937	2,691	4,675
2022-01-21	10,620	62,406	15,521	299,767
2022-01-28	71	5,501	1,150	1,609
2022-02-04	18	1,657	257	136
2022-02-11	1	185	206	88
2022-02-18	262	27,696	5,198	3,267
2022-03-18	214	2,461	544	2,188
2022-04-14	298	12,342	3,208	5,206
2022-06-17	835	12,996	1,711	10,075
2022-07-15	33	1,105	236	1,569
2023-01-20	6,100	20,811	1,532	73,376
2024-01-19	342	1,089	265	346

62k of Danger Noodles Jan 21st

They've decimated our call chain so what will run into the money today isn't a lot. There's a ton more out at **later** expiry dates. But if they can short it back down by the 21st, they can chose to not hedge those later exp calls and not buy the underlying right now.

Tonight’s AH move could be an attempt to bait some ape’s into options and short GME for a quick IV crush, knowing they can dodge the T+13 settlement date and push that date back far enough to force a ton of options to expire worthless OTM.

Given the lack of options running ITM, it might be manageable for them.

If we start ripping tomorrow, punching up through the put walls, could the delta hedging alone spark the MOASS? Maybe, but don’t forget Citadel and Virtu decide if they want to hedge those call options on the way up, and may simply choose not to. Don’t forget they internalized several BILLION dollars back on Jan 27th-28th, according to the SEC report. I have no doubt they are again willing to sandbag the upward momentum since the alternative would indeed be MOASS. This would seem to be an important part of a ‘controlled demolition’ strategy.

WHAT I'M WATCHING TOMORROW

The longer-dated puts could be a tell. If they hold on to the 21st and later puts, that could indicate they intend to once again make use of them later, closer to that date.

If you are brave enough to buy into the start of the rip, maybe consider shares or pick some expiry dates at least another 35c days out.

Check out the Jan 21st PUT chain ... it's basically what you would want to backstop price action leading up to that date.

Strike	Open Int		Strike	Open Int		Strike	Open Int		Strike	Open Int
0.50	136,212		105.00	820		220.00	**2,744**		610.00	2
1.00	29,683		110.00	915		230.00	649		620.00	2
1.50	4,332		115.00	1,462		240.00	81		630.00	1
2.00	16,684		120.00	1,144		250.00	153		640.00	2
2.50	4,337		125.00	1,328		260.00	82		650.00	8
3.00	6,342		130.00	612		270.00	71		660.00	1
3.50	1,962		135.00	770		280.00	57		680.00	0
4.00	4,913		136.00	82		290.00	46		700.00	18
4.50	2,005		137.00	183		300.00	**1,284**		720.00	12
5.00	14,200		138.00	43		310.00	46		740.00	1
5.50	2,749		139.00	99		320.00	75		760.00	5
7.00	3,620		140.00	2,181		330.00	48		780.00	13
10.00	8,496		141.00	53		340.00	42		800.00	3
12.00	1,319		142.00	159		350.00	**566**		850.00	7
15.00	6,471		143.00	46		360.00	20		900.00	2
17.00	704		144.00	38		370.00	5		950.00	3
20.00	4,850		145.00	369		380.00	5			
22.00	675		146.00	69		390.00	17			
25.00	3,086		147.00	16		400.00	**543**			
27.00	500		148.00	19		410.00	3			
30.00	4,736		149.00	105		420.00	13			
32.00	261		150.00	1,547		430.00	4			
35.00	930		152.50	30		440.00	1			
37.00	172		155.00	336		450.00	**59**			
40.00	1,866		157.50	29		460.00	4			
42.00	246		160.00	861		470.00	2			

45.00	842		162.50	37		480.00	6			
47.00	275		165.00	278		490.00	46			
50.00	8,452		167.50	10		500.00	**409**			
55.00	5,275		170.00	562		510.00	33			
60.00	1,243		172.50	8		520.00	14			
65.00	406		175.00	172		530.00	2			
70.00	870		180.00	648		540.00	1			
75.00	343		185.00	318		550.00	12			
80.00	1,370		190.00	392		560.00	1			
85.00	433		195.00	193		570.00	24			
90.00	590		200.00	1,755		580.00	4			
95.00	3,143		205.00	6		590.00	2			
100.00	7,549		210.00	417		600.00	10			

The Backstop

Market Maker de-Hedging of the puts as we run tomorrow could/should actually be a LARGER factor in Delta induced price action. Well, that is IF the MM chooses to un-hedge. If the Hedgie doesn't sell the put, and there is no reason to, the MM still make the call as to when they un-hedge. **Or if.**

Watch the price action tomorrow, and the Jan 7 put volume specifically to see what's happening.

We've got **7,457 put** contracts that should get un-hedged at market open, if we open at $160. That's massive buy pressure of 747k shares! We **should** take off like a Tesla model Plaid! If we don't, there's ***fuckery***.

Also, **4,179 call** contract that should go ITM and get Delta hedged. That's 417k shares! These certainly will get sold off by end of day, they are *expiring*. Retail does not usually have the cash to let options expire in the money and exercise.

The CME basket swaps likely needs to be covered Jan 7th, but they can push the ETF stuff out a bit further. The last swaps day Aug 24th we ran vol over 14M, so if Jan 7th is on the same order of magnitude, then it’s just the swaps coming in.

REMINDER: T+13 Settlement for ETF’s has a few caveats for covering. Specifically, they have provisions for T+35 settlement (not T+13) See notes from SajiMeister below, outlining the T+35.

Meaning, don't jack yer kitties over the T+13, *they might be going out to T+35*. (See ETF winding exception below.)

ALL I AM SAYING ...

I want this to be the start of MOASS. I do. I really, really, really do, but I am watching like a hawk for fuckery. And I see a lot of fuckery tonight.

I don’t believe in a 'fake squeeze'. If the price hits $950 the margin for every hedgie will be blown out, margin calls for everyone and we’re all driving a Lambo tomorrow.

This looks like a setup to run us up to around $220 or $300 before they smash it right back down. They covered some FTD's early, they can make it look like they are losing control, get us to fomo into options and higher-priced shares before they pull the rug. (No FUD, I'm not anti-option, if you gonna fomo in, go right ahead *just fomo smart*. Shares, long-dated/ITM options are less vulnerable to hedgie shenanigans.)

They can't win, of course. We're not selling so they can **never** win. But that's not their plan, a permanent stalemate is their objective. Just stall for time, one day at a time.

They need to disarm RC, cover an ungodly number of FTD's & swap fails over the next couple weeks, so a controlled spike, reset their shorts at the top, is the plan, just like in Feb, May and Aug.

Pls don't fling any poo at me if I am wrong. bc if I am wrong you will be picking out what color Lambo you want on Monday.

Pls tell me I am wrong and this is MOASS.

EDIT: Got another SUS point to add, comment below pls.

TLDR: Hedgies playing games but this a danger-noodle game they can only lose.

--- Threshold DD below ---

The NYSE Threshold Rules and What Exceptions Are Made

“(3) If a participant of a registered clearing agency has a fail to deliver position at a registered clearing agency in a threshold security for thirteen consecutive settlement days, **the participant shall immediately thereafter close out the fail to deliver position by purchasing securities of like kind and quantity:”**

A note on the above section is that the person shall immediately close out their position. So it doesn’t say someone will come and close it for them but it is saying that they should close it out OR they will face restrictions in trading where they can no longer mark sales as short. They could always mark a short sale as long and face the fines later. These sales would still be subject to T+13 but could allow them to do some illegal naked short selling that has been shown to have happened countless times in the past.

“(i) Provided, however, that a participant of a registered clearing agency that has a fail to deliver position at a registered clearing agency in a threshold security on the effective date of this amendment and which, prior to the effective date of this amendment, ***had been previously grandfathered from the close-out requirement in this paragraph*** (b)(3) (i.e., because the participant of a registered clearing agency had a fail to deliver position at a registered clearing agency on the settlement day preceding the day that the security became a threshold security), shall close out that fail to deliver position within thirty-five consecutive settlement days of the effective date of this amendment by purchasing securities of like kind and quantity; “

What does it mean to be grandfathered in?

It means that if the FTD happened before the security was place on the threshold list and it was grandfather due to a reason in section 242.200 then it can still deliver the shares on the T+35 schedule. The below are summaries of the *exceptions that could have allowed them to have a t+35 settlement prior to the threshold start date.*

- *If the person who has the FTD is an unconditional contract binding both parties to purchase but has not received the security. It now can extend 35 days.*

- *The person owns a security convertible (tokenize stocks cough cough) and has tendered such security for conversion or exchange.*

- *Person has exercised an option but has not yet received the shares.*

- *Person holds a securities futures contract. Basically, an arrangement with a person that they will buy x amount of the stock on some date in the future and the contract can not be broken. This is where the crypto fuckery is. Pump crypto make a contract liquidate crypto on contract end date so that it costs less money to buy security in future contract.*

- *ETF fuckery. The terminology is confusing but there is a way to extend FTDs to T+35 using ETF "unwinding".*

o *"The broker-dealer is unwinding index arbitrage position involving a long basket of stock and one or more short index futures traded on a board of trade or one or more standardized options contracts as defined in 17 CFR 240.9b–1(a)(4)"*

The Makers Gambit: An After Action Report on Jan 7th, a really terrible day to be a Hedge Fund short on GME and the entire Retail Sector - Jan. 10, 2022

Due Diligence

Sup Ape fam,

Before Monday opens I just want to do an After Action report in the wake of the Jan 7th Pearl Harbour attack we just sustained. Some peeps tagged me asking to do a follow-up of my last sus-themed DD since Friday's IV pump-n-dump + basket cover played out much as we expected.

While +7.32% is by no means a Bad Day, it wasn't the start of MOASS we were teased with when the AH price action started ripping over 30%. .\/.

In hindsight it is now clear that the WSJ was a FUD bomb, targeted to steal RC's Thunder of an impending NFT marketplace launch. The barrage of ham-fisted MSM articles the day after deriding the NFT Marketplace was more confirmation this was a straight-up hit job.

But at what cost?

I’m going to take the unpopular opinion side of this here and say that RC was wide open for this torpedo attack. All the Loopring tweets, the job postings, the SMRT comments, dropping hints for weeks on end was like letting a wet dog loose in the house. They could have put Loop under a tighter NDA. No tweets. They could have used a third party instead of hiring through their main website. They could have done a lot more to keep their secret weapon under wraps until it was ready to launch. They could have put their GitHub code in a private repo. And they absolutely should never have expected the MSM or SHFs to play fair. Unless the whole NFT thing is actually bait, RC 5D Chess, this has lost much of its impact when it does eventually get announced.

Fortunately, pre-empting the NFT announcement will do nothing to impair it’s actual long-term financial impact, we can still expect GME to add another billion or two to it’s annual revenue over the next year and this means the long-term value of the stock will eventually be multiples of the current share price. All we’ve lost Friday was a catalyst for an early MOASS. So, the only ones who are gonna be salty here is those peeps with options that expire soon. The MOASS is inevitable.

Now I need to revisit one thing from my last article. Since we know Jan 7th was 100% coordinated, I need to mention the content of the options posts we saw them allow onto the sub that-shall-not-be-named. They allowed those posts, that content, possibly bc they are comfortable with the yolo plays it suggests. Jan 21 and Feb 18th $200 Call YOLOs. Go look for yourself. I was holding some of those, now I’m thinking about moving my options out further and to much lower strikes. On expiration day one ITM option is worth more than a hundred OTM and I don’t think I like their “suggested” yolo plays.

I truly don’t want to step on the turd that is this sub’s pro/anti-options debate. Fact is the last few months Retail has been a premium piñata, short-dated OTMs wiped out on the weekly. In my opinion, the options debate is dumb. Options aren’t bad, *losing money is bad*. If you can’t get your options to print, every $140 DRS’d share is a guaranteed winning lotto ticket, and you can’t go wrong with that.

We don’t know if the MM’s are actually Delta-hedging our calls, the GEX we often see Tuesdays, post-expiry suggests they aren’t. Even if calls aren’t creating pressure, our DRS’d shares are creating massive piles of FTD’s cause we see them coming in huge waves from Jan 10th to Jan 21st and beyond. Waves and waves of FTD’s.

Nuff’ said. Now, let’s talk about what that little torpedo attack **cost** the MM/SHF’s bc it did in fact come at a **steep** price.

	Calls						Puts					
	Jan 6	Jan 7		Jan 6	Jan 7		Jan 6	Jan 7		Jan 6	Jan 7	
Expiry date	ITM	ITM	Delta	OTM	OTM	Delta	ITM	ITM	Delta	OTM	OTM	Delta
2022-01-07	378	2,779	2,401	31,030	34,976	3,946	9,277	4,558	-4,719	10,168	16,776	6,608
2022-01-14	37	812	775	7,937	11,077	3,140	2,691	1,956	-735	4,675	6,247	1,572
2022-01-21	10,620	13,250	2,630	62,406	116,630	54,224	15,521	15,692	171	299,767	305,663	5,896
2022-01-28	71	189	118	5,501	6,945	1,444	1,150	1,028	-122	1,609	3,019	1,410
2022-02-04	18	95	77	1,657	2,013	356	257	191	-66	136	377	241
2022-02-11	1	2	1	185	277	92	206	38	-168	88	268	180
2022-02-18	262	1,168	906	27,696	34,953	7,257	5,198	5,008	-190	3,267	4,304	1,037
2022-03-18	214	548	334	2,461	2,992	531	544	416	-128	2,188	3,260	1,072
2022-04-14	298	601	303	12,342	12,763	421	3,208	2,628	-580	5,206	5,966	760
2022-06-17	835	1,118	283	12,996	15,409	2,413	1,711	1,519	-192	10,075	11,345	1,270
2022-07-15	33	106	73	1,105	1,087	-18	236	190	-46	1,569	1,635	66
2023-01-20	6,100	6,246	146	20,811	21,044	233	1,532	1,406	-126	73,376	73,507	131
2024-01-19	342	364	22	1,089	1,103	14	265	237	-28	346	373	27
TOTAL	19,209	27,278	8,069	187,216	261,269	74,053	41,796	34,867	-6,929	412,470	432,740	20,270

This table make hedgies cry

The Options FOMO

Here is a comparison of the Option Chain for GME on Jan 6th vs Jan 7th. Please get a coffee, sit and stare at for five minutes until you see a picture of a pirate ship emerge.

Friday morning we saw several million bucks fomo into GME at the worst possible time, Implied Volatility was spiking hard making those options super expensive. Just minutes after open them pulled the rug and an absolute crap ton of premium got wiped out in mere minutes as the IV got crushed and all the 0-DTE boys got absolutely fleeced.

Some of us saw it coming if you read my prev DD, but it isn't all bad news bears.

But, 1,889 put contracts were opened on Jan 7th. 4,558 put contracts expired ITM, so have fun with that on T+2 boys. Over 16,000 expired OTM at an average strike of $120 so these were truly some multi-million dollar put walls that got absolutely smashed.

At the end of the Day Friday, we had 2,401 more contracts expire in the money than Jan 6. On Jan 11/12 we can expect 240,000 shares in buy pressure as Gamma exposure comes back to bite any MM's who were not appropriately Delta hedging these. We have good reason to believe practically no Call options are being Delta hedged, since their latest ploy appears to be smashing the price action down to drive them all OTM instead of hedging.

Also, there are now an additional 5,668 Call Options are now in the money, representing an additional 566,800 shares of buy pressure for future expiry dates and half of them are Jan 21st strikes, making Jan 25/26 another huge Gamma exposure day for any MM's who were not appropriately Delta hedging yesterday. I wish there were more peeps loading up $140 strikes instead of $950's, but more danger noodles is more danger noodles.

I gotta wonder, did the MMs/SHFs expect **this much** raw FOMO to hit them in a single day? Even with the IV crush it's a MASSIVE amount of capital that came flooding in. Over 8,000 more Calls are now ITM!!

Vindication of Cycle Theory

Despite the WSJ FUD on the evening of Jan 6th, what happened Jan 7th was in fact powerful confirmation of Cycle Theory in that we saw huge buy pressure and volume at the T+2/3+6+35c days from Nov 19th, the date we were expecting GME Swaps to roll, expire or fail. They failed and we just witnessed the 'anomaly' that occurs in this case and it is very good we finally saw them manifest. More interesting is that this shake out was on the Market Maker T+9+35c ETF FTD schedule. We now know the MM's are carrying the bags for the SHF's in an act of blatant collusion.

How big are the Swaps?

Back on Aug 24+25th we saw volumes of 27.4M. There was 7.3M volume on Nov 19+22, so with and additional 18M vol Jan 6+7th, we now have seen a pretty good indication of how big these suckers are. The swaps have not been closed or covered, otherwise we would have seen a green candle the likes of which mankind has never before witnessed. We only saw them rolling. The swaps are some **fraction** of that 25.3M volume, bc not all the volume on those days would have been a Swap share getting rolled. How could we determine what the fraction is though? Tricky.

So, the 25M got rolled yesterday and we can expect another high-volume day or two on the order of 25M in volume in the future.

When will Swap day return?

According to Cycle Theory we had originally expected Swap day on Nov 18th, like we saw Aug 24th, May 25th and other previous dates. But for those of us waiting on the 19th, options at the ready, it simply didn't happen. We watched for days wondering if there were extensions, our dates were wrong or something. The roll or expiration of the Swaps is predicated on a counter-party picking up that CME Future and it is entirely possible there no nobody crazy enough to pick up the other side of a 25M GME short position. Duh. The Volatility Swaps are a Citadel/Virtu product, so those likely still exist so long as the options chain suggests a replicating basket exists there to back the swaps.

There wasn't much covering Friday, 7.32% gain on 12M volume, just a lot of rolling.

It's not XRT, that's for sure.

Friday was T+13 for the NYSE Thresholding of XRT. The volume on Friday was a muted 2.7M in XRT. Short volume on XRT was still persistently high at 56%. Not sure what's up with that, so we will need to look at the FTDs on XRT for Jan 7th when they are available on Jan31st to see wtf is going on there.

We DID see **huge** short volume on XRT for Jan 4,5 and 6th. This appears to be the 'last gasp' where they abused it as much as possible before T+13 ends the abuse, and looking at the chart, GME got absolutely pummelled on the 4th, 5th and 6th. Expect some positive price action 13 days from the 4th, 5th and 6th. Will be looking at the FTD's for these dates also in the next report, expect they will be quite substantial. Coming back in T+13. Thank you Reg Sho!!

This may be the end of cycle theory, as we have known it. All the shorts that were rolled **will be back**, we just don't know **when**. What did they roll them into? T+2/3? Spread across other ETF's would see them return T+9+35c but I haven't found which ETF's they are using instead of XRT yet. Will keep looking …

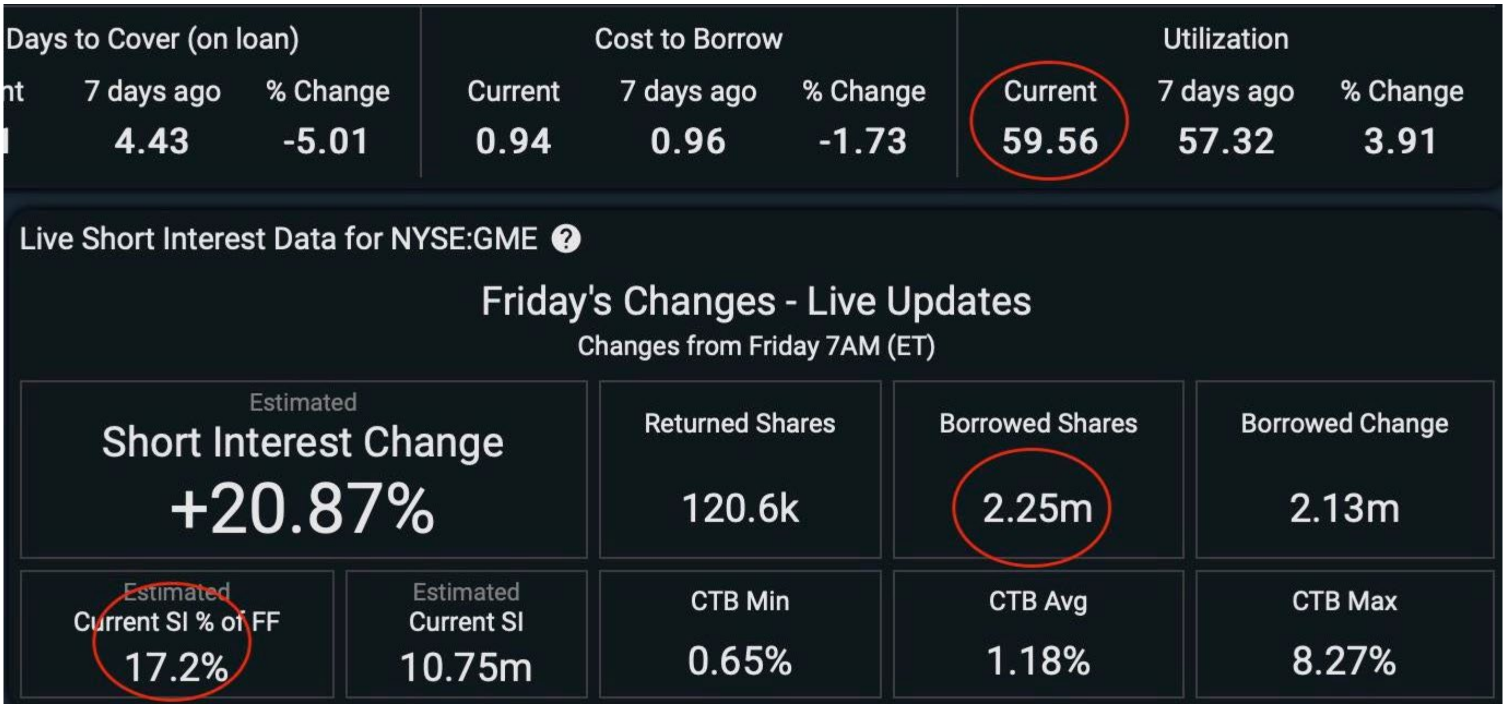
Disregarding the Jan 7th expiry date, 11,452 new Put options have been opened. Most of them for Jan 21st. The MM's/SHF's are gearing up for a close quarters battle over the next two weeks. Using Put options like this is a very, very expensive way to suppress the price of a stock bc puts *expire*. This is more desperation.

Friday we got a drop of blood

option? get it? hah

Something that deserves more attention is the 2M real shares that got borrowed for GME Friday. The SI spiked a massive 20% taking us up to 59% utilization. Using actual GME shares is anathema for SHFs. The last thing they want is articles pointing out how GME is once again rising back up to the 226% SI we had a year ago, triggering fomo en masse.

I haven't seen many ppl talk about this, but in my opinion this is HUGE news.



Hmm. Smells like desperation or dirty socks.

Where did they hide the shorts this time???

A bunch ~5M probably got hidden in ETF FTDs in XRT the final day or two before the T+13 Threshold limit, so we can expect those to be back in either T+13 if they are following Reg Sho or T+35 if they claim the ETF unwinding.

The rest, I don't know actually. I've scanned the other ETFs with GME in them and I don't see any unusual vol activity. Of course, we won't know until we finally get to see the Jan 6/7 FTD data on those ETFs which we won't get until Feb 15th.

Could be straight up naked shorts that FTD in T+2(+1), possible but I can't believe they are desperate enough they would orchestrate that WSJ article as cover just to buy an extra couple of days.

Answer: No idea where they are hiding shorts and FTD's now.

XRT remains on the Threshold Securities list as of Jan 7th

Good news, we've seen no effort thus far to clear the XRT FTD's for five days and get it off the list. Again, on Jan 15th we're gonna get the FTDs list for Dec. 16-31st to see how much XRT got abused. Then the Feb 15th drop will show the final days of FTD's just before it hit the T+13 limit.

Endgame Finally?

We’ve got a ton of FTD’s from Jan 10th to Jan 21st, a big slug of ETF FTD’s on the 13th and another one on the 21st. Friday’s swap FTD volume will return sometime, maybe T+9+35c. Jan 4th ,5th and 6th last gasp of XRT coming back on Jan 26, 27, 28th. There may be a real NFT announcement some day, maybe the 25th which is Etisoppo Yad! Keep an eye on GME borrows, if SI keeps rising over the next two weeks, this is truly the endgame.

With some much stuff about to hit, I think we're gonna have a great week apes, be good to each other. :)

TLDR: Hedgies r fuk themselves.