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Always Free

Market News

This holiday shortened week was just what the OPL Market needed. Big tech and growth stocks, the bulk of the OPL Market's holdings, had strong gains with market favorite Amazon up over 3%. Brooks Automation lead gainers this week as the semi-conductor shortage has created demand for machinery to make computer chips.

Only two funds had small losses on the week with all others booking gains. There are now seven funds that have moved into positive territory for the year. Our lead player only has a 2% over their closest competition and 15% over the last place player, meaning this is one of the closest fantasy stock markets yet.

We are at the halfway point in the program. In today's paper you can see the best and worst performing stocks over the first 6 weeks. Interestingly, no one owns either of the best two performing stocks: both of their owners sold them! The worst performing stock, Chewy, was just bought last week and was up this week. Could this be the best trade of the program?

Best Stocks So Far

Symbol	Name	Owners	Value with Dividends	Value on 2/19	Change?
GME	Gamestop	0	191.45	40.59	+371.67%
WWE	WWE	0	55.71	46.81	+19.01%
BAC	Bank of America	1	39.67	34.54	+14.85%
FB	Facebook	1	298.66	261.26	+14.32%
FDX	Fedex	3	284.19	254.64	+11.60%

Worst Stocks So Far

Symbol	Name	Owners	Value with Dividends	Value on 2/19	Change?
PTON	Peleton	1	112.09	139.71	-19.77%
ZM	Zoom	1	326.23	417.26	-21.82%
MRNA	Moderna	2	132.55	174.74	-24.14%
SPOT	Spotify	1	273.1	364.69	-25.11%
CHWY	Chewy	1	82.71	113.95	-27.42%

World News

Infrastructure was the word of the week in Washington. President Biden unveiled his plan to make what he called a “once in a generation investment” in the country. The proposed plan covers a number of issues, including traditional projects like building roads, bridges, railways, and schools. On top of this, two million homes and other buildings would be modernized. The plan also covers forward thinking measures like buying electric vehicles for government agencies and building up the infrastructure the care industry, a rapidly growing part of the economy. In total these projects are expected to cost roughly 2 trillion dollars. Senate Minority leader Mitch McConnell said Senate Republicans party will oppose this plan.

The ship in the Suez Canal was freed on Monday, with the canal reopening shortly after. The backlog of traffic in the canal is expected to several weeks to return to normal.

A stalemate in Israel’s election that began over a year and a half ago has taken an interesting turn this week with the Ra’am party winning representation and declaring that he is willing to form a coalition government with either current President Netanyahu or the opposition party. Neither side can form a coalition without Ra’am. This would be the first time an Arab party would be part of the ruling coalition in Israel.

Finance News

It was only a four-day week for Wall Street thanks to the holiday, but it was a good one. The S&P 500 closed over 4,000 for the first time, setting a new all-time high. With no major market driving events this week Wall Street seemed to be acting under the old adage “no news is good news” and rolled upwards with technology stock leading the way.

The semiconductor shortage continued to have effects on the market as chip makers and chipmaking equipment manufacturers rallied.

The US added almost 1,000,000 jobs in March with unemployment hovering around 6%. This beat expectations and stock futures were up on Friday.

The US Dollar has made gains three straight weeks on strong economic news. The dollar had lost about 9% of its value over the course of the pandemic.

Box office sales were down 86% in 2020 with many venues going bankrupt.

Calls to boycott Georgia businesses have started in response to the state passed a restrictive voting bill. Coca Cola has been specifically targeted as the largest company in the state. Coca Cola has denounced the Georgia law, but has still been targeted by many groups as a target for boycotts. These types of activist boycotts are usually small scale and short lived, but some, like the Delano Grape Strike boycotts were long lasting and forced real change.

OPL by the Weeks

Date	Value	Best Stock	Week Change	Total Change
2/19	\$18,000,000.00			
2/26	\$17,300,664.66	GME	-3.89%	-3.89%
3/5	\$17,132,325.57	GME	-0.97%	-4.82%
3/12	\$17,648,076.82	GME	+3.01%	-1.96%
3/19	\$17,547,945.70	FB	-0.57%	-2.51%
3/26	\$17,511,549.91	BJ	-0.21%	-2.71%
4/2	\$17,813,021.61	BRKS	+1.72%	-1.04%

Indexes and other Investments

As of market close 4/2/2021

Name	Type	Value	% Weekly Change
S&P 500	US Large	4,019.87	1.14%
Dow Jones Industrial Average	US Large	33,153.21	0.24%
NASDAQ	US Tech	13,480.11	2.60%
Russel 2000	US Small	2,253.90	1.46%
Nikkei 225	Japan	29,854.00	2.32%
FTSE100	UK	6,737.30	-0.05%
Hang Sang	Hong Kong	28,336.43	0.00%
Crude Oil	Commodity	61.24	0.62%
10 Year US Treasury	Bond	1.68	1.20%
Gold	Metal	1,730.30	-0.03%
Bitcoin	Crypto	59,074.48	8.65%

Most Popular OPL Market Stocks

As of market close 4/2/2021

Name	Symbol	Owners	Shares	Value	% Change
Amazon	AMZN	8	549	3161	3.57%
Apple	AAPL	6	11301	123	1.48%
Alphabet	GOOG	5	429	2137.75	5.02%
Netflix	NFLX	4	1479	539.42	0.00%
Tesla	TSLA	4	1135	661.75	6.96%

Test Your Knowledge Challenge

Give these questions about how people group stocks a try!

- 1) According to Standard and Poors, what are the 11 market sectors?
- 2) Which one is the largest portion of the US market?
- 3) Which sector best fits Hasbro?
- 4) Which sector best fits CSX?
- 5) Which sector best fits Sealed Air?

Answer to last week:

When a company goes bankrupt, what is the order in which people get paid?

Even when a business goes bankrupt, they might be out of cash, but they probably still have assets they can sell. However, there is usually a line of people waiting to get some of that money. Because of this there is an order to who gets the money first. Being further up in this list is good because once the money runs out, you're out of luck!

- a. First the bankruptcy managers get paid. Someone has to run the bankruptcy and no one will do it without getting paid, so they get paid first.
- b. Bond holders get paid next. These are people who lent the company money with the assets of the business as collateral. Because they get paid before almost anyone else, bonds are usually seen as a safer investment.
- c. Employees who are owed pay and anyone else who the company owes money to gets paid next. While these people have a debt to collect, unlike with bonds it isn't secured by collateral so they come after.
- d. Preferred shareholders are next. These shares pay a fixed dividend that is guaranteed to come before regular shares. Because the dividend is fixed, they are similar to bonds, but because they get paid after all debtholders, they are riskier.
- e. Regular shareholders are last. Shareholders own the company, so they only get paid after the company pays all of its debts. Shareholders have the highest potential reward from their investment, but in exchange they take greater risk.

Leader Board

As of market close 4/2/2021

Fund	Market Value	Change	Largest Holding
MARSHMELLO	1,070,153.42	+2.03%	Pfizer
STOCKITUP	1,052,495.96	+2.82%	UPS
OKAPI	1,036,370.82	-0.40%	eBay
URAPEASENT	1,032,879.80	-0.57%	Ford
KITTYCAT	1,011,833.27	+2.54%	Apple
GR4VITY09	1,010,154.72	+2.71%	Netflix
AYUNSTOCK	1,000,002.92	+2.54%	Regeneron
KOPIMON	997,249.35	+0.64%	Microsoft
KAYFUND	993,251.93	+2.67%	Amazon
POKEDEX	990,216.49	+1.03%	Mattel
KARMA	988,948.51	+1.95%	McDonald
CHAIR	987,509.18	+2.26%	Amazon
BLUESPHERE	951,153.15	+1.40%	Moderna
YODAGROUP	945,726.18	+2.73%	Pfizer
NESTEGG	943,670.51	+2.59%	BFIT
TROYBOI	938,430.26	+3.51%	Amazon
HJRCAPITAL	935,157.73	+0.58%	Roblox
LILLYPOP	927,817.41	+0.29%	Moderna

Dividends Paid

Mondelez: .315

Trade Wire

None

OPL versus the Street

As of market close 4/2/2021

Name	Which Market?	Holdings	Value	Value on 2/19	Change?
OPL	Ossining Library	53	17,813,021.61	18,000,000	-1.04%
SPY	S&P500	500	401.27*	390.03	+2.88%
DIA	DJIA	30	332.11*	314.92	+5.46%
QQQ	NASDAQ	100	324.96*	331.02	-1.83%
IWM	Russell 2000	2000	224.03*	225.19	-0.52%

*Includes distributions rounded down to nearest cent.

Know Your Stocks: What's Up with Gamestop? Part II

That Chewy Guy Joins In

In September of 2020 Ryan Cohen disclosed a 10% stake in Gamestop. Cohen's name is probably not familiar to you, but he is the co-founder and former CEO of Chewy, the online pet supply store. Chewy has been a huge success story, making Cohen millions when PetSmart acquired the company in 2017, just six years after it was founded. By December Cohen increased his stake in GME to over 13%, a massive investment in the company.

Retail Investors Love the Stock

Gamestop stock started moving up, but why? Roaring Kitty's videos likely convinced some people, but the audience of his live streams was very small with usually less than 20 people watching. Ryan Cohen's involvement was taken as a good sign, but many people didn't even know who he was. Nostalgia for the company may have played some part, but nostalgia alone couldn't drive so many people to throw thousands of dollars into the stock market. What could possibly galvanize so many people to buy the same stock?

Reddit. The Wallstreetbets subforum is a crazy thing, not for the faint of heart and definitely not for children! This was a place where people would take insane risks, buying stock options to leverage up bets in hopes of making huge money, but often losing everything. The forum treated the stock market like a casino. Like any network of people, it was prone to scammers, with people attempting to pump stocks for their benefit, but mostly it was a location where gamblers posted their bets and shared the stories of their triumphs and defeats.

It was here the Gamestop story caught on. Roaring Kitty's research on the company was spread. News and updates about the company was posted daily. Theories that Cohen would turn Gamestop into the next Chewy were shared. Updates on the stock's movement were tracked. The forum was telling a story about Gamestop, but the narrative was blurring from the usual thrill seeking and greed into one of revenge. . .

Survivors of the Fall

Many of the people in the age group that post on Reddit day trading stocks went through the financial crash of 2008 during their childhood or early adult life. Many of them saw their parents lose their savings or their jobs. Some of them had just graduated collage and couldn't find work. They read stories about investment banks and hedge funds who caused so much chaos by piling on levels irresponsible leverage and risk. They saw how none of these people were involved were punished. They saw their government bailout these organizations with their tax dollars. They remembered the anger and frustration from then and they used it as a rallying cry now. By buying Gamestop they could punish short sellers and hedge funds, causing them to lose money. They could save a company that they loved from bankruptcy. People started to get caught up in the idea that this was a cause, even though it started as a value investment. Gamestop's following was taking on a cult-like quality.

Acceleration

As Gamestop's shares started growing in value, more people started short selling the company. The price rose to \$17 as January approached, short interest grew. It continued to grow as the stock passed \$20. Many hedge funds shorted the stock heavily. A mid-January report short interest on Gamestop was over 100%. This is an insane amount. The average short rate of stocks in the S&P500 was only 3% at the time. Tons of hedge funds were jumping onto the trade. Next, Gamestop named Ryan Cohen to their board which excited investors and drove the stock price up as their dreams of Chewy for videos games might come true. Citron Research, a firm famous for shortselling declared Gamestop would "Fall back to \$20 fast" and bet against the company after it reached \$30. But on January 22nd, the stock jumped from \$43.03 to \$65.01. And it kept going.