



## Daily Macro Insights: Meme stocks not going away

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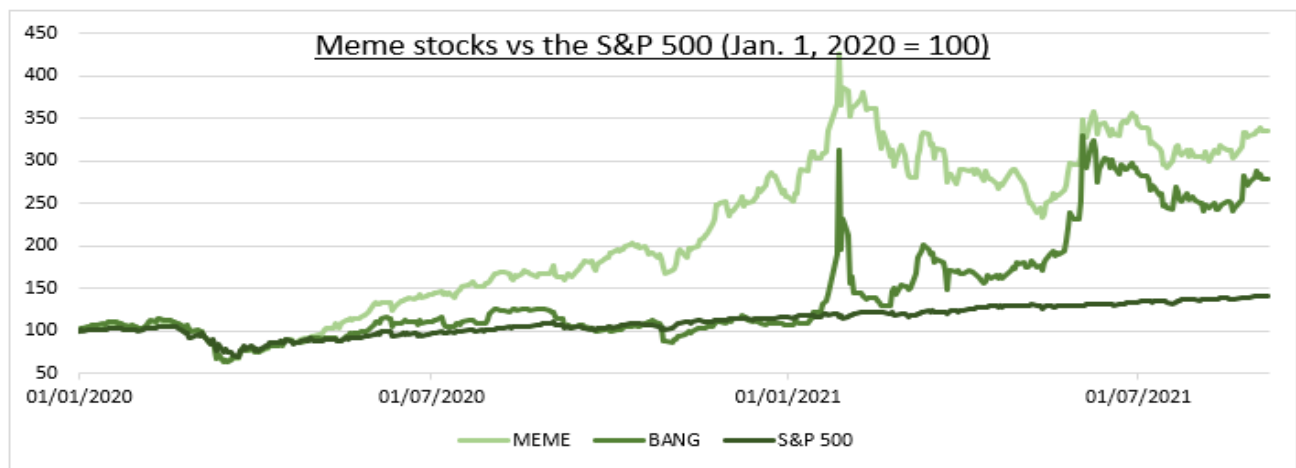
**NOT GOING AWAY:** January's meme-stock phenomena has not gone away. Our two meme stock baskets (see chart) are off highs but still well-above January levels. GameStop is 10x higher. R/Wallstreetbets added 1.5 million more subscribers since March. More meme ETFs have launched, most aptly, MEME. More broadly, US household equity investments are at a [record](#), and US equity funds saw \$900 billion of inflows in first half alone, a 30-year record.

**GME FOCUS:** The original meme stock, Gamestop (GME), reports results after close today. Having raised \$1.7 billion this year from shareholders, paid off its long term debt, and with a new management team in place, focus will be on the business transition plans. Forecasts are for 20% revenue growth versus this quarter last year, and halving of bottom-line losses.

**WHY OWN:** Our global [retail investor survey](#) showed 17% of polled investors owned meme stocks, less than perceived but still a lot, but with a wide spread between countries (from 30% in Romania to 10% in Australia), and the reasons for owning were also balanced, led by to 'make money' (35%), 'believe in the fundamentals' (27%), and 'entertainment' (26%).

**OUR INDICES:** We [updated](#) our BANG index of the 'original' meme stocks (Blackberry (BB), AMC Entertainment (AMC), Nokia (NOK), Gamestop). And a broader 15-name MEME index of some of most active social media named stocks - this shows diversification pays longer term, with both less volatility and higher returns, but neither group has positive earnings.

**TODAY:** US auto sales fell again, to 13 million in August, as re-opening purchases eased and chip shortages bite. Is a GDP drag with 'multiplier' impacts on the long auto supply chain.



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