

# GameStop shares soar as 'Roaring Kitty' returns

May 13 2024

---



Shares in GameStop, the company at the center of the 2021 'meme stock' phenomenon, are soaring again.

Shares in GameStop, the company at the center of the "meme stock" craze that throttled Wall Street in early 2021, soared Monday in a move that recalled the earlier speculative frenzy.

Shares were up more than 63 percent at \$28.52 near 1730 GMT. AMC Entertainment, another "meme stock" from that period, jumped nearly 50 percent.

The move, which analysts said was not based on business fundamentals, led to losses of some \$1 billion from short-sellers who bet on a share price drop, CNBC reported.

GameStop's surge followed the sudden reappearance on [social media](#) of "Roaring Kitty," a key figure from 2021 who posted Sunday night on the social platform X for the first time in three years.

In a subsequent post, "Roaring Kitty" announced the launch of a digital currency.

The account has been run by investor Keith Gill, a longtime shareholder in GameStop who had argued in a series of posts before the January 2021 surge that the company was undervalued, publicizing his analysis on Reddit.

Gill's commentary became widely followed on the platform, helping to spur a buying frenzy that led to punishing losses for some [hedge funds](#) that had bet against the company.

These include Melvin Capital, which endured deep losses in early 2021 when GameStop jumped from \$17 to a peak of \$483. Melvin shut down in May 2022.

The trading phenomenon, which took place amid the COVID-19 pandemic, prompted a congressional hearing and the 2023 feature film "Dumb Money," which starred Paul Dano as Gill.

In the first post on X since Jun 2021, "Roaring Kitty" posted an

illustration of a male figure who changes position, suddenly leaning forward in a chair, as if to express alertness.

The post generated nearly 10,000 comments, 23,000 retweets and 85,000 likes shortly after midday on Monday.

In subsequent messages Monday, the account posted a series of movie clips and video mash-ups, including a car chase scene and a video of an orange cat waking from a slumber to a Radiohead track.

One of the posts announced the launch of the \$KITTY cryptocurrency on Thursday. The X post included a logo with a bandanna-wearing cat roaring that has gotten nearly 67,000 views.

© 2024 AFP

Citation: GameStop shares soar as 'Roaring Kitty' returns (2024, May 13) retrieved 17 July 2024 from <https://techxplore.com/news/2024-05-gamestop-soar-roaring-kitty.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.