



FILM: **Dumb Money**

FDG RATING: 2.9 🐻🐻🐻🐻🐻

Film Discussion Group (FDG) Scale is 1-5 (5 is best)

Craig Gillespie: *director*
Paul Dano: *actor, Keith Gill*
Pete Davidson: *actor, Kevin Gill*

DATE: December 17, 2023

DISCUSSION SUMMARY: **Dumb Money**

Many of us remember going to the GameStop retail store to buy video games. Founded in 1984 in Grapevine, Texas, it is actually the largest video game retailer worldwide. It grew from a small video game retailer into a massive corporation with thousands of stores worldwide. It's stock price is \$14.75 a share today, (January 2024), but the closing price was \$86.88 on January 27, 2021 after rising sharply from \$4.52 on Jan. 7. And the in a frenzy, rose to a record high of \$483. And this is after 10 years of a relatively flat stock price of \$1.00 with a small increase to \$6.00 at a few peak times.

The film, *Dumb Money* tells the story of Keith Gill, a young, married guy with an infant, who spends his days blogging on the internet about his passion for investing in stocks as a regular person on a limited income. He is an amateur stock trader who sees himself as rebel, unlike the "cool" Wall Street players and traders, he is actually fighting the system. He follows his own instincts and research to determine what stocks are a good investment and shares his investment strategy and portfolio in rambling videos on his YouTube channel and wallstreetbets. A long-haired nerd, he works as a small-fry financial analyst for MassMutual Life Insurance, and when he isn't working, he is chatting to all his followers calling himself Roaring Kitty, broadcasting out of his basement, drinking beer, wearing a t-shirt covered with cat images and a mock-samurai red bandana wrapped around his forehead.

Keith feels nostalgic about GameStop, the brick-and-mortar video-game outlet he grew up with, says it is way undervalued, and keeps buying more and more shares starting a domino effect as his audience of nurses, students, single moms, and other small investors follow his lead using the Robinhood app which did not charge a fee or commission for stock purchases. Against all odds, the stock starts to rise which feeds the enthusiasm for it while hedge-fund managers continue to short sell GameStop, speculating the price will decline. it's true that in early 2021, millions of ordinary people across the United States began buying shares of GameStop in increments of tens, hundreds or thousands of dollars. Their investments were mocked by financial experts, who cited the store's poor underlying metrics.

Paul Dano always puts on a great performance and he does not disappoint in his role as Keith Gill. For those of us with no experience playing the financial markets, the film was educational and showed the vulnerability and explosiveness of what happens when investors and hedge fund managers collide. The buying frenzy caused hedge-fund managers to just about pull their hair out and when Robinhood abruptly halted trading on their app, to the distress and surprise of all the "little" people using their app, it appeared that it was pressure from the hedge-fund managers who were trying to curtail their losses. And so we learn another relevant term: "the short squeeze", which is when those hedge-fund managers reactively, frantically started buying up GameStop stock so they could sell it to try to cover their unanticipated losses. One discussion participant noted that the story is a victory for the little people. The title, *Dumb Money*, actually refers to ordinary people who naively invest in the stock market.

We liked the characters, the story was entertaining, we took a frenzied ride in the stock market world without any financial risk, but the movie experience was a flat 2.9 on our scale of 1 to 5. (5 is the best.)



See you at the movies!
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