



GameStop Raises Over \$2 Billion in Funding Following Surge in Retail Trading Influenced by Roaring Kitty

Description

GameStop announced on Tuesday that it has successfully completed an "at-the-market" equity offering of its shares, raising approximately \$2.14 billion in gross proceeds. This news came shortly after meme stock influencer Keith Gill made his first livestream appearance in three years, attracting over 600,000 viewers.

After the announcement, GameStop's stock initially rose more than 5% before experiencing a volatile decline of 1.6% in extended trading. The company disclosed that it sold the maximum amount of 75 million shares under the offering at an average price of \$28.50 per share, with the stock closing at \$30.49 after Tuesday's trade.

The proceeds from the offering will be utilized for general corporate purposes, including potential acquisitions and investments. CEO Ryan Cohen currently holds an 8.6% stake in the company, as per a regulatory filing on Tuesday, down from 10.5% in May.

GameStop had previously raised \$933.4 million by selling 45 million shares in May, amidst a buying frenzy triggered by Gill's return to social media. Known as "Roaring Kitty" on YouTube, Gill's bullish calls on GameStop played a significant role in the meme stock frenzy of 2021.

The company also surprised investors last week by releasing its first-quarter results ahead of schedule, revealing a 28.7% decrease in revenues to \$881.8 million. Despite the decline, GameStop remains a focal point in the ongoing saga of meme stocks and retail investor activism.

In conclusion, GameStop's recent equity offering marks another chapter in the company's volatile journey, driven by a mix of investor speculation, social media influence, and strategic corporate decisions.

Vocabulary List:

1. **Equity Offering** // (noun): Process of raising capital by issuing shares of stock to investors.
2. **Influencer** // (noun): A person or entity who has the power to affect the purchasing decisions or opinions of others.
3. **Volatility** // (noun): The degree of variation in the price of a financial instrument.
4. **Acquisitions** // (noun): The process of acquiring control over another company through purchasing its assets or shares.
5. **Regulatory** // (adjective): Relating to or making rules or regulations.
6. **Speculation** // (noun): Engagement in risky financial transactions in an attempt to profit from fluctuations in the market.

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What is defined as the rate at which the general level of prices for goods and services rises?

- Option: A. Stock market
- Option: B. Inflation
- Option: C. Securities
- Option: D. Acquisitions

2. Which term refers to the number of deaths resulting from a particular event or circumstance?

- Option: A. Seniors
- Option: B. Fatalities
- Option: C. Underlying
- Option: D. Independence

3. What term describes the action or process of intervening in a situation?

- Option: A. Commitment
- Option: B. Vicious
- Option: C. Intervene
- Option: D. Speculation

4. Which term indicates the degree of variation of a trading price series?

- Option: A. Prominent
- Option: B. Equity Offering
- Option: C. Volatility
- Option: D. Looming

5. What term refers to the process of one company taking over another company?

- Option: A. Advisory
- Option: B. Regulatory
- Option: C. Acquisitions
- Option: D. Gratitude

6. Which term is used to describe the desired objective or goal to be achieved?

- Option: A. Contentious
- Option: B. Influencer
- Option: C. Target
- Option: D. Nullification

7. What term describes the basic cause or source of something?

- Option: A. Seniors
- Option: B. Underlying
- Option: C. Chronic
- Option: D. Hospitalizations

8. Which term refers to the process of raising capital by selling shares of a company?

- Option: A. Outrage
- Option: B. Equity Offering
- Option: C. Instrumental
- Option: D. Independence

9. What term refers to tradable financial assets such as stocks or bonds?

- Option: A. Gratitude
- Option: B. Securities
- Option: C. Moderating
- Option: D. Influencer

10. Which term relates to the enforcement and creation of rules by government or any regulating body?

- Option: A. Offering
- Option: B. Speculation
- Option: C. Regulatory
- Option: D. Confrontation

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. Excessive consumption of alcohol can lead to severe health issues and frequent _____.

_____.

12. When disagreements escalate and parties are unable to resolve issues peacefully it can result in _____.

_____.

13. The court issued a ruling for the _____ of the contract rendering it legally void.

14. Expressing genuine _____ towards others can strengthen relationships and foster goodwill.

15. Young adults often strive for _____ as they transition into self-sufficiency.

16. The company recently _____ a small tech startup to expand its digital capabilities.

17. The community center organizes regular events and activities for local _____ to foster social engagement.

18. Investors engage in stock _____ in hopes of capitalizing on market fluctuations for profit.

19. The debate became increasingly _____ as opposing views clashed on the complex issue.

20. With the company's financial difficulties the possibility of layoffs is _____ over the employees.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. She demonstrated unwavering dedication and hard work to fulfill her to complete the project on time.

22. The animal shelter rescued a dog with a past but with care and love it became a friendly pet.

23. The event was attended by many figures in the industry showcasing its importance.

24. The teacher had to when the students started arguing to maintain order in the classroom.

25. His innovative ideas were in shaping the company's successful marketing campaign.

26. The controversial decision sparked public and protests across the city.

27. She emerged as a key in the fashion industry setting new trends and styles.

28. The committee plays a crucial role in discussions during the conference to ensure fairness and order.

29. The government appointed an panel to provide recommendations on environmental policies.

30. Economic analysts engage in market to predict future trends and investments.



Answer

Multiple Choice: 1. B. Inflation 2. B. Fatalities 3. C. Intervene 4. C. Volatility 5. C. Acquisitions 6. C. Target
7. B. Underlying 8. B. Equity Offering 9. B. Securities 10. C. Regulatory

Gap-Fill: 11. hospitalizations 12. confrontation 13. nullification 14. gratitude 15. independence 16. acquired
17. seniors 18. speculation 19. contentious 20. looming

Matching sentence: 1. commitment 2. vicious 3. prominent 4. intervene 5. instrumental 6. outrage 7.
influencer 8. moderating 9. advisory 10. speculation

CATEGORY

1. Business - LEVEL5

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