



Reddit's IPO as much as five times oversubscribed

Description

Reddit is on the verge of a monumental event: its Initial Public Offering (IPO), with an **aspirational** valuation of \$6.5 billion. This move has attracted significant attention, resulting in an **oversubscription** rate four to five times the initial offering. However, it's **prudent** to remember that oversubscription doesn't **guarantee** success in the market. Despite this, there's a **tangible** sense of optimism around achieving the **targeted** share price of \$31 to \$34.

The company's decision to go public comes after a valuation adjustment from a **lofty** \$10 billion to a more **grounded** \$6.5 billion, based on last year's fundraising efforts. This **strategic** recalibration aims to raise \$748 million, a **crucial** step for Reddit, which has historically faced financial challenges unlike its competitors such as Meta's Facebook and Twitter (now X).

Reddit's unique model, based on a vast community of users who share, discuss, and vote on content, sets it apart. Yet, this model has also made **monetization** challenging, especially with the platform's **reliance** on volunteer moderators. Recent decisions to charge third-party developers for data access have sparked **controversy**, showing the fine balance between generating revenue and maintaining a happy user base.

Despite these hurdles, Reddit's potential remains **immense**, with a **diverse** range of forums driving vibrant discussions across myriad topics. With plans to reserve a portion of the IPO shares for its dedicated users and moderators, Reddit is **leveraging** its community's strength, hoping to mirror the success of past **viral** stock movements initiated on its platform.

Vocabulary Insights:

- **Aspirational** [əs'pɪrənəl]: Refers to something that represents a high goal or ambition.
- **Oversubscription** [əv'ər-səb'skrɪp"ʃn]: When the demand for a product or offering exceeds the available supply.
- **Prudent** [pru'dənt]: Acting with or showing care and thought for the future.
- **Guarantee** [gə'ræntē]: A formal promise or assurance, typically in writing, that certain conditions will be fulfilled.
- **Tangible** [tæn'đəbl]: Clear and definite; real.
- **Targeted** [tər'đəd]: Directed towards a particular group or purpose.
- **Lofty** [lōftē]: Of imposing height; also can refer to something that is high in ideals or ambition.
- **Grounded** [grōndē]: Well balanced and sensible.
- **Strategic** [strə'jetēk]: Related to the identification of long-term or overall aims and interests and the means of achieving them.
- **Crucial** [kru'jēl]: Of great importance or significance.
- **Monetization** [mōnētēzā'ʃn]: The process of earning revenue from an asset, business, etc.
- **Reliance** [rēlēns]: Dependence on or trust in someone or something.
- **Controversy** [kōntrō'ver'sē]: A prolonged public disagreement or heated discussion.
- **Immense** [im'ēns]: Extremely large or great.
- **Diverse** [dīv'ərs]: Showing a great deal of variety; very different.

- **Leveraging** [?l?v?r?d??]: Using something to maximum advantage.
- **Viral** [?va?r?l]: An image, video, piece of information, etc., that is circulated rapidly and widely from one Internet user to another.

Vocabulary List:

1. **Aspirational** // (Adjective): Represents a high goal or ambition.
2. **Oversubscription** // (Noun): Demand exceeds available supply.
3. **Prudent** // (Adjective): Acting with care and thought for the future.
4. **Tangible** // (Adjective): Clear and definite; real.
5. **Targeted** // (Adjective): Directed towards a specific group or purpose.
6. **Grounded** // (Adjective): Well balanced and sensible.

Vocabulary quizzes

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

1. Which word means causing gloom or depression?
Option: dismal
Option: zenith
Option: ascend
Option: trifecta
2. What term refers to the fact of something being widespread or common?
Option: concealed
Option: prevalence
Option: aspirational
Option: reliance
3. What are profits or incomes gained through business activities called?
Option: ascend
Option: earnings
Option: rigidity
Option: conglomerates
4. Which term denotes a prolonged public dispute or debate?
Option: endeavor
Option: conversion
Option: controversy

Option: levies

5. What word means to make less severe serious or painful?

Option: transparency

Option: grounded

Option: mitigate

Option: leveraging

6. Which term describes something that spreads rapidly and widely on the internet?

Option: targeted

Option: crucial

Option: viral

Option: guarantee

7. Which word means extremely large or great in size?

Option: trifecta

Option: rigidity

Option: colossal

Option: influx

8. What term refers to the arrival of a large number of people or things?

Option: aspirational

Option: endorse

Option: influx

Option: abysmal

9. What is the reduction in the number or quantity of something?

Option: dismal

Option: depletion

Option: supremely

Option: trifecta

10. Which term means inflexible or not giving way?

Option: vividly

Option: unyielding

Option: reliance

Option: grounded

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

11. The company reached the _____ of success last year.

12. The warranty provides a _____ for the product for two years.

13. The government _____ taxes on imported goods.

14. Many large companies are part of global _____.

15. The brand promotes a(n) _____ lifestyle in its advertisements.

16. The bureaucratic system's _____ prevents quick decision-making.

17. The novel had an _____ plot that captivated readers.

18. She set _____ goals for her career and strived to achieve them.

19. It is _____ to have an emergency fund for unexpected expenses.

20. The article _____ the benefits of regular exercise.

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

21. The earthquake caused a number of casualties.
22. The company became a in the tech industry.
23. She was confident during the presentation.
24. The government promised to increase in its operations.
25. Her hard work and led to her success.
26. The marketing campaign was at young adults.
27. Despite his success he remained and humble.
28. Regular backups are to data security.
29. The app developers focused on strategies for revenue.
30. Their partnership was built on mutual trust and .



Answer

Multiple Choice: 1. dismal 2. prevalence 3. earnings 4. controversy 5. mitigate 6. viral 7. colossal 8. influx 9. depletion 10. unyielding

Gap-Fill: 11. zenith 12. guarantee 13. levies 14. conglomerates 15. aspirational 16. rigidity 17. intriguing 18. lofty 19. prudent 20. extols

Matching sentence: 1. staggering 2. behemoth 3. supremely 4. transparency 5. diligence 6. targeted 7. grounded 8. crucial 9. monetization 10. reliance

CATEGORY

1. Business - LEVEL5

Date Created

2024/03/18

Author

aimeeyoung99