

# The Implications of GameStop for Retail Investor Financial Literacy



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Financial Education Institute  
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# Financial Literacy

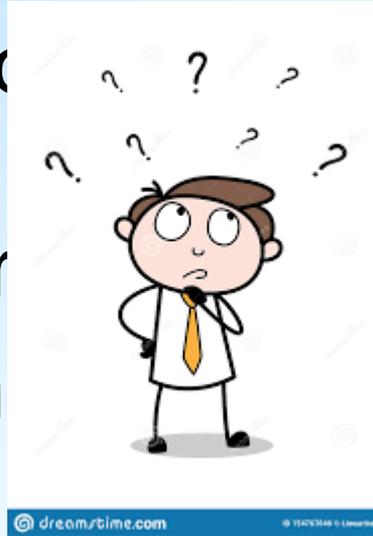


# So why Are We Talking about GameStop?

- The GameStop frenzy suggests a potential for increased direct market participation by retail investors
- New mechanisms are facilitating this participation
- GameStop has exposed new potential vulnerabilities
- Financial literacy can help

# So why Are We Talking about GameStop?

- The GameStop suggests a potential for increased market participation by retail investors
- New mechanisms facilitating this participation
- GameStop has exposed new potential



**Webull**  
Free Stock  
Promotion

investingsimple.com



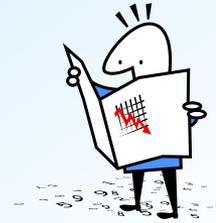
# Regulators have not focused on retail investors

- Large institutional investors dominate the capital markets

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# The Shift to Retail



- Commission-free trading
- App-based brokers
- Meme stocks
- Social media
- Pandemic relief checks

# The GameStop Risks

- People will invest for the wrong reasons
- People will lose money
- People will take on excess leverage and/or risk
- Market volatility will increase



# The GameStop Myths

- Institutions are smart; retail investors are dumb
- Trading on hype, not fundamentals
- The price fluctuations of meme stocks destabilize the market
- Herding and the inappropriate power of social media
- The public markets are “unsafe” for retail investors

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- Traditional
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**ARCHEGOS**  
CAPITAL MANAGEMENT S

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# The GameStop Myths

- Institutions are smart, retail investors are dumb
- Traditional capital markets are safe, meme stocks are unsafe
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# The Promise of Retail Investing

- A counter to institutional groupthink
- Reduction of agency problems
- Inclusion of a broader range of investor viewpoints
- Engaging younger and more diverse investors in the capital markets and corporate America

# The Perils of Gamification



**10**  
ANNIVERSARY  
YEARS | BETTER  
MARKETS

Robinhood makes  
investing fun

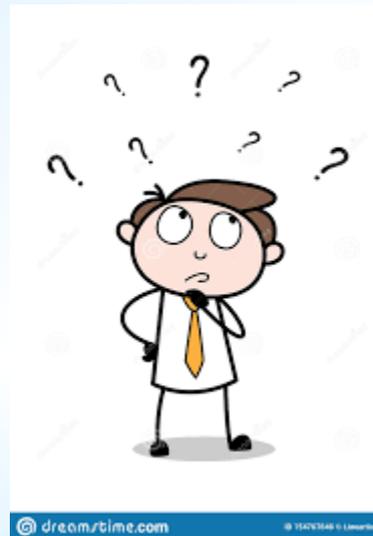
Investing has never been fun



Investing has never been fun



# App-based new investors need financial education



# Does the GameStop frenzy offer us lessons in how to make financial education fun?

- App-based education
- Interactive components
- Rewards – free stuff
- Leader boards, levels, status
- Social media

# Does the GameStop frenzy offer us lessons in how to make financial education fun?

- App-based education
- Interactive
- Reward
- Leader
- Social



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Thank you