

Forum: [Hack Forums](#)

Thread: [Losing your \\$10b Fortune!](#)

Omniscient - March 30, 2021, 8:37 am

<https://finance.yahoo.com/news/one-world-greatest-hidden-fortunes-002617417.html>

Quote: Hwang and his private investment firm, Archegos Capital Management, are now at the center of one of the biggest margin calls of all time -- a multibillion-dollar fiasco involving secretive market bets that were dangerously leveraged and unwound in a blink.

Read that article fully. It's an example of hubris. Even someone who amassed \$10b+ in the market can lose it all with just one bad decision. Playing the margin game is dangerous. He leveraged it all and now it's all gone. I'm just glad it's his personal wealth and not the general public.

4158996621556 - March 30, 2021, 8:48 am

hubris at it's full extent, but he did reach that kind of money with that kind of leverage in the first place

\$1.5 bill to \$5 bill in 2020

then 3x'd in 2021

he didn't know when to stop.

what the hell CAN'T you buy when you have \$15 billion?

Cooldudex - March 30, 2021, 2:37 pm

(Mar 30, 2021 08:48 AM)HackingDoge Wrote: [\[CITE\]](#) hubris at it's full extent, but he did reach that kind of money with that kind of leverage in the first place

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Brain cells my boy.. brain cells.

LSD - March 30, 2021, 3:52 pm

One of the Laws of Gold states:

"Gold flees from the man who would expect of it an unreasonable return."

Zoomers - March 30, 2021, 5:51 pm

(Mar 30, 2021 02:37 PM)Cooldudex Wrote: [\[CITE\]](#) Brain cells my boy.. brain cells.

Hes a degenerate gambler, but hes probably extremely smart and enjoyed the high. "It's not all about the money, you know," he said in a rare interview with a Fuller

He will probably end up making it back though.

Cooldudex - March 30, 2021, 5:55 pm

(Mar 30, 2021 05:51 PM)Zoomers Wrote: [\[CITE\]](#) Hes a degenerate gambler, but hes probably extremely smart and enjoyed the high. "It's not all about the money, you know," he said in a rare interview with a Fuller

He will probably end up making it back though.

I don't doubt it

Bovril Coin - March 30, 2021, 5:56 pm

news says he was trading 10b of wealth on a x5 leverage which isnt to crazy it was probly insider trading gone bad

Aeowulf - March 31, 2021, 6:25 am

Wow... that's insane. Took an outsized risk... at that point why? I feel like they deserved it, but that still hurts.

Koyote - March 31, 2021, 6:43 am

It just shows that you can be irresponsible and somewhat dumb at any level in life! He'll likely be fine, but yeah, what a reckless and stupid thing to have done.

Omniscient - March 31, 2021, 10:39 am

Lets not feel too bad for him. Trust me that his broke ain't the same as our broke. He might only be left with \$100m, his mansion, cars, and other holdings. If you have \$10b and lose 99% of it, you still have \$100m. For real yo.

Blazin - March 31, 2021, 11:30 am

Crazy to lose that much, but it is what it is least he still has his mansion and some other shit.

Exalted - March 31, 2021, 11:37 am

Big hit, but that's the risk. There's enough money left.

Jedi Tools™ - March 31, 2021, 9:47 pm

The addiction of leveraging will lead him to bet again. He would probably make that back again (in probably 2-3 years).

Semmenial - March 31, 2021, 10:11 pm

Fucking insane! Should've seen some of the downward spirals of various stocks due to this man.

Snapple Tea - April 2, 2021, 7:32 am

(Mar 31, 2021 10:11 PM)Semmenial Wrote: [\[CITE\]](#) fugging insane! Should've seen some of the downward spirals of various stocks due to this man.

Yes the liquidation was insane. The recovery's left massive opportunities though.

SavageAF - April 12, 2021, 9:50 am

I'm not surprised, they tried everything to try and hide their trades, and even set up as a "family office" yet they were trading in very advanced derivatives. This is why most regular people hate the idea of wall street, they imagine people throwing money around and not understanding it, which is almost exactly what this "family office" was doing (plus a previous bit of market manipulation to top it off).

Luckii - April 12, 2021, 8:33 pm

Easy come easy go, buddy put got addicted to leverage and now hes paying the price.

Just like you said, his broke sure isnt the same as our broke though. Probably still up 100m+ which can last him a lifetime unless he wants to yolo on leverage again...

TrueKings - April 17, 2021, 7:36 pm

(Apr 12, 2021 09:50 AM)SavageAF Wrote: [\[CITE\]](#) I'm not surprised, they tried everything to try and hide their trades, and even set up as a "family office" yet they were trading in very advanced derivatives. This is why most regular people hate the idea of wall street, they imagine people throwing money around and not understanding it, which is almost exactly what this "family office"

was doing (plus a previous bit of market manipulation to top it off).

He set up as a family office because he was trading his own money. That's all a family office is. You trading on your own account. He set it up this way, not to hide anything, but because he is barred from accepting outside funds as he got in trouble with the SEC back when he ran his tiger fund years ago. Not any better, but in the end, he really just blew up his own account with this margin call.

SavageAF - April 18, 2021, 2:27 am

(Apr 17, 2021 07:36 PM)TrueKings Wrote: [\[CITE\]](#) He set up as a family office because he was trading his own money. That's all a family office is. You trading on your own account. He set it up this way, not to hide anything, but because he is barred from accepting outside funds as he got in trouble with the SEC back when he ran his tiger fund years ago. Not any better, but in the end, he really just blew up his own account with this margin call.

The way I see it, he set it up as a family office as to not disclose positions and bypass other SEC regulations that he would normally be subject to, allowing him to potentially manipulate the market (again). But yeah, in the end he just blew up his account :/

TrueKings - April 18, 2021, 7:42 am

(Apr 18, 2021 02:27 AM)SavageAF Wrote: [\[CITE\]](#) The way I see it, he set it up as a family office as to not disclose positions and bypass other SEC regulations that he would normally be subject to, allowing him to potentially manipulate the market (again). But yeah, in the end he just blew up his account :/

He legally had to setup as a family office. He is not legally allowed to take outside money. Basically, his licenses to manage OPM was revoked due to insider trading at an old fund where he did take OPM.

His leveraged positions were totally okay by SEC standards. Once you have enough money, the SEC allows you to make bad decisions with your own money. They are strict if you are managing outside assets, but just like your personal account, you're allowed to make whatever decisions you like. My firm isn't allowed to make ANY trades that can be deemed "too risky" for our clients, else we would get our licenses revoked. These regulations extend to my personal account, so I'm not allowed to make any extremely risky trades, or even trade in the same assets as my clients, in my personal account. You, or retail investors that work outside of finance, can take any position they like. Hell, you can get access to 4:1 margin once you have an investment account of \$25k or more in the United States, which is honestly a far too low amount.

He wasn't trying to skirt regulations, he just didn't have any other choice but to set up a "family office" which is really like any normal person's robinhood account, just with more money.

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Ah I see, thanks for clearing that up