Wall Street Journal Article Discussion

Name

Affiliation

Date

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**Discussion 1:**

The very first article discussion about the progress of the shares of GameStop has been described in quite a detail, shedding light even in the minutest details of the article. The writer has put great effort to describe the mechanism due to which the company is still struggling in the business world even after the increase in the shares. The writer of the discussion has also highlighted the important aspects related to companies buying back their own shares, which provides insight into the situation GameStop is currently facing. One of the most important points highlighted by article discussion is that GameStop stock prices have dropped over 60% below the S&P 500. The writer has explained in quite a simplistic manner that the companies buy back their shares as a part of their strategy to earn profits, as the remaining shares of the company in the market will become expensive. GameStop is facing this situation because the value of the limited shares available to the customers is not rising, due to the lack of the interest of consumers in buying them (Wursthorn, 2019).

**Discussion 2:**

The article discussion about the strategy of Tesla Inc. regarding earning profits has been discussed in quite great detail. The author of the discussion has highlighted the most important mean of the company which is offering bonds and stocks in the stock market. The buying of the stock shares, as well as in the increase in their prices was already earning a great deal of profit to the company. Their new strategy of offering the bonds, as well as the convertible bonds, at a high-interest rate of 2% compared to higher 2.35% on their last offering is earning the company even more profit. The article discussion has highlighted the fact quite efficiently that the company is not earning the profits by just selling its product but also through selling its stock shares and convertible bonds which is quite commendable (Goldfarb, & Prang, 2019).

References

Goldfarb, S. & Prang, A. (2019). Tesla Completes $2.35 Billion Stock and Bond Sale. *The Wall Street Journal*. Retrieved from: https://www.wsj.com/articles/tesla-seeks-raise-as-much-as-2-7-billion-up-from-2-3-billion-11556886130

Wursthorn, M. (2019). GameStop Rises but Struggles to Score. *The Wall Street Journal*. Retrieved from: https://www.wsj.com/articles/gamestop-rises-but-struggles-to-score-11560184903