

7 social posts that rocked the markets

The rise of social media means that rumour and opinion can spread around the world in seconds and cause the financial markets to rise and fall irrespective of the underlying strengths and weaknesses of the listed companies. Without sound advice, it's easy to find yourself making investment decisions based on the opinions of celebrities, politicians and hackers. Here are seven examples of posts that moved the markets.

1. Reality star sends Snapchat tumbling

Reality TV star Kylie Jenner wiped \$1.3 billion (£900 million) off the stock market value of Snap, the software company behind Snapchat, with a single tweet in 2018. Kim Kardashian's half-sister tweeted: "sooo does anyone else not open Snapchat anymore?" The criticism reached her 24.5 million followers and was retweeted more than 60,000 times, causing a 6% drop in Snapchat's value on the day. A nervous investor might have sold the stock but the company's share price quickly recovered and Jenna sounded a more conciliatory note, tweeting: "still love you snap... my first love."

2. The President rocks Boeing

US President Donald Trump knows how to use social media to rattle corporations. In 2016, he launched a savage attack on aircraft manufacturer Boeing over the proposed \$4 billion cost of a new Air Force One commission. The President tweeted "costs are out of control" and "cancel order!", appearing to cast doubt on the future of the contract and causing Boeing's share price to fall by around 1%. In a separate incident in July of this year, Trump also contributed to a 3% fall on the FTSE 100 after he suggested the US election could be delayed.

3. 'Gangnam Style' boost for IP Corp

Back in 2012, South Korean pop star Psy helped to double the value of his father's software firm when the video of 'Gangnam Style' went viral. Gangnam Style was the first Korean hit to top Apple's music download chart. Psy's father, Park Won-ho was the Chairman and controlling shareholder of semiconductor company DI Corp, which saw its market capitalisation surge to more than \$100 million on the main Seoul bourse by late September 2012, according to *Time* magazine.

4. Hackers send markets spinning

In 2013, hackers sent a tweet from the Twitter account of Associated Press, saying: "Breaking: two explosions in the White House and Barack Obama is injured." Wall Street panicked and around \$200 billion was briefly wiped off the market's value, according to *USA Today*. Associated Press quickly announced that the tweet was a fake and the White House issued assurances that the then President was safe. "The President is fine," spokesman Jay Carney said. "I was just with him." Stocks rebounded quickly – the Dow ended the day up 152 points. The attack was claimed by the Syrian Electronic Army, which had previously hacked into the Twitter accounts of BBC Weather and CBS.

5. Oprah boosts Weight Watchers

Chat show host Oprah Winfrey sent Weight Watchers shares soaring by 20% when she tweeted

“Eat bread. Lose weight. Whaaatttt? #ComeJoinMe”. Winfrey herself benefited from the surge thanks to her 10% ownership of the business. She paid \$43 million for her stake in Weight Watchers in 2015 and went on to become one of its biggest cheerleaders. Winfrey was able to influence the markets because of her huge Twitter following of 41.6 million. She is reported to have made \$12 million in just over an hour after the publishing the tweet.

6. Clinton attacks drug pricing

When Turing Pharmaceuticals acquired the drug Daraprim, which is used to treat patients with weakened immune systems from diseases like AIDS, and increased the price from \$13.50 a tablet to \$750, the then presidential hopeful Hillary Clinton wrote a 21-word tweet saying she would lay out a plan to tackle such price gouging. It helped to set off a sharp decline in the pharmaceuticals sector, which saw the iShares Nasdaq Biotechnology ETF drop by more than 4%. The attack sparked by Turing, a start-up owned by a former hedge fund manager, knocked the Nasdaq into the red on what had been an otherwise positive day for US stocks.

7. Going out of fashion

And finally, back to Donald Trump, whose use of Twitter has sparked debate across the world. In 2017, high-end department store chain Nordstrom saw its stock tumble by 1% within a minute of a tweet from the President who claimed that his daughter Ivanka had been treated unfairly by the company, which had dumped her fashion label, citing poor sales. While some said this was an abuse of the President's power, the White House said that Mr Trump had every right to tweet about the issue, since it wasn't about promoting a family business but defending his daughter against attack.