
THE IMPACT OF THE ROBINHOOD PLATFORM ON THE WALL STREET MARKET CAPITALIZATION INDEX

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Abstract

The study aimed to shed light on the activity of the Robinhood platform, which came to light in the first months of 2013, as the Robinhood platform played a major role in attracting large companies to list on it, which prompted many traders to be among its pioneers and its largest investors. This activity led to a high level of trading on this platform, making it a major player and a major competitor to the largest stock markets in the United States of America. One of the main motivations that prompted the study of the Robinhood platform is the impact and reflection that the Robinhood platform generated on the American stock markets, including the Wall Street market, and what are the tools of attraction that the platform played on its strings to become remarkably active and to be a major player in the world of stock markets. Finance, especially in a financially developed country such as the United States of America. The study addressed two basic hypotheses: - The absence of a significant, statistically significant correlation between the general index of the Robinhood platform and the trading indices of the American stock markets (Wall Street Market), and the hypothesis of the absence of a significant, statistically significant impact relationship between the general index of the Robinhood platform and the trading indices. For the American stock markets (Wall Street Market). The study gained its importance from highlighting the alternatives available to investors when choosing a platform to enter the investment sector, such as traditional platforms and new operators, with a focus on the advantages and challenges associated with them. The study reached a set of conclusions that were based on theoretical and analytical results, the most important of which are: that the Robinhood platform has a positive role in enhancing the democratic character of financial markets by providing commission-free trading and an easy-to-use interface. By lowering traditional barriers, it has become possible for more individuals, including those with limited resources, to participate in the stock market. Thus, the Robinhood platform has opened the door for many individuals

to explore investment opportunities and achieve financial inclusion, which contributes to enhancing equality and providing economic development opportunities for all.

The study also concluded with a set of recommendations that were built on the basis of the conclusions reached. The most important recommendations are: The necessity of understanding and managing the risks associated with increased market volatility and the behavior of trading and speculators is vital for any investor. Clear investment objectives must first be defined that suit different market circumstances and conditions. Next, the investment portfolio should be diversified across a variety of assets and stocks to reduce the risks associated with market fluctuations. It is also necessary to develop risk management strategies, such as placing stop-loss orders that limit losses in the event of sudden price fluctuations. You can also determine the size of positions to limit exposure to risk, by specifying a specific percentage of capital for each deal. Using these strategies, investments can be protected and the potential negative effects of excessive volatility or rapid changes in the market can be reduced.

Keywords: Robinhood platform, Wall Street Market, market capitalization.

Introduction

The American financial markets are witnessing important transformations in the context of financial technology, as electronic trading platforms have come to play a pivotal role in shaping investment and trading patterns. Robinhood stands out as one of the major operators that has transformed the traditional way of participating in stock markets. The American financial markets are moving towards important developments in the field of financial technology, as electronic trading platforms play a prominent role in determining investment and trading patterns. Among these platforms, Robinhood stands out as one of the main operators that has transformed the traditional way of participating in stock markets.

Since its emergence in recent years, the Robinhood platform has attracted the attention of investors thanks to its innovative technological features, such as commission-free trading and a simple interface. The platform's business model aims to provide individuals from all economic classes access to the world of investing, which has led to radical changes in the way individuals trade and direct their strategies. The Robinhood platform relies on order flow as a source of revenue, as orders placed by investors are transferred to market makers for execution. Although Robinhood offers commission-free trades, it relies on various revenue sources to finance its services and generate profits ((Tan, 2021: 18- 19 Users can subscribe to the Robinhood Gold service for a monthly fee. This service offers benefits such as larger instant deposits, access to professional market research, and margin trading. Traders are charged a fee when using the margin trading service. Margin trading allows investors to use borrowed funds to improve their profit potential, but it also increases risks by magnifying losses.

Interest on cash holdings Robinhood holds user funds in cash accounts and generates profits through interest on these cash holdings. Fees on partner banks Robinhood relies on partnerships with banks, and it may receive returns from the fees charged by these banks. On

financial services. And the further sale of data. Sometimes, companies make money from selling data, for example, information about trading style and investor preferences. Although it's not necessarily clear if Robinhood specifically follows this model, other companies in the industry use this method to earn revenue. In addition, the platform offers optional subscription services to investors that allow them to obtain additional benefits such as daily reports. Wall Street trading indicators are pivotal elements in determining the health of the economy and the performance of large companies in the United States. These indicators reflect the level of confidence in the market and the extent of investor optimism, and provide valuable information about price movements and market trends. By understanding these trading indicators, traders and investors can make informed decisions about investment and risk management strategies. The study seeks to determine the impact of the "Robinhood" platform on the market capitalization index in the American stock market (Wall Street), and to analyze the impact of its use on the volume and trading behavior in this market. The study also aims to understand the reasons that drive investors to use the Robinhood platform instead of other alternatives. The importance of this study lies in clarifying the role of electronic platforms in modernizing financial trading methods and their impact on the stock market. By analyzing the impact of the Robinhood platform, it is possible to understand how the investment pattern and behavior of investors change, determine the alternatives available to them and the impact of this on the financial markets.

I. 2. STUDY METHODOLOGY A. THE PROBLEM OF THE STUDY

While the Robinhood trading platform is the focus of attention of investors and traders thanks to its innovative technological features that make it easy and convenient for individuals to participate in the financial markets, the problem lies in determining the impact of this platform on the trading indicators of the American stock market (Wall Street) through studying the trading indicators. On Wall Street and comparing it with the activities on the Robinhood platform, it is possible to verify whether the platform has led to radical changes in the pattern of trading and common investments. It also needs to be determined whether these changes have had a clear impact on the performance of the main Wall Street market indices. That is, a statement of the impact of the platform on trading indicators and a study of the impact of using the Robinhood platform on the volume and behavior of trading in the American stock market, and whether it has a positive or negative impact on market indicators, its impact on major stock markets and an examination of how the platform affects major stock indices such as the Dow, Jones, Nasdaq, and the S&P 500, and did they have a noticeable impact on these markets? And the impact on individual investors, that is, examining how the behavior of individual investors was affected by the Robinhood platform, and whether there was an increase in the number of new investors or their investment pattern because of this platform.

II. B. THE IMPORTANCE OF THE STUDY

The main importance of the study is to understand the impact of the Robinhood trading platform on the trading style and behavior of investors in the Wall Street market, which helps in identifying changes in investment trends. The importance of the study can be summarized by a number of points as follows:

1. Highlighting the rapid development of electronic trading platforms, and how these platforms have become an essential tool for investors in interacting with financial markets. Analysis of the distinctive features and features of these platforms enhances understanding of changes in the nature of trading.
2. Explaining the prominent role that the Robinhood platform plays in the American financial arena.
3. Explain the role of technology and the advancement of communications in providing more effective financial services. Emphasis can be placed on how new technologies are being integrated to improve user experience and facilitate access to financial information.
4. Highlighting the alternatives available to investors when choosing a platform to enter the investment sector, such as traditional platforms and new operators, with an emphasis on the advantages and challenges associated with them.
5. Highlight how the Robinhood platform impacts financial markets, and how it can play a role in increasing financial awareness among investors

III. C. OBJECTIVES OF THE STUDY

1. Statement of the impact of electronic platforms on financial trading: The study aims to clarify how electronic platforms influence the transformation of financial trading methods
2. Analysis of the impact of the Robinhood platform on the American investment sector: The study seeks to understand how the Robinhood platform affected the investment sector in the United States, while recognizing the dynamics and transformations it brought about in this vital context.
3. Study the impact of technology on investment trends in the American market. The study seeks to analyze how technology has brought about changes in financial investment trends in the American stock market, and how investors are adapting to these developments.
4. Analysis of the impact of the Robinhood platform on the investment style and trends of individual investors.
5. Highlighting the alternatives available to investors in choosing which alternative is best for entering the investment sector.

IV. D. STUDY HYPOTHESES

1. There is no statistically significant correlation between the (Robinhood) platform and trading indicators for the US stock markets.
2. There is no significant, statistically significant relationship between the Robinhood platform and trading indicators for the American stock markets.

V. 3. STOCK MARKET INDICATORS

Financial market indices are key tools used to measure and track the performance of financial markets, whether for stocks, bonds or other financial assets. Market indicators play a vital role in understanding the state of the economy and financial markets, and represent an essential tool for investors and analysts to analyze trends and make investment decisions. Financial market indicators include a variety of methods and metrics that reflect the performance of the market as a whole or a specific category of financial assets. Financial market indices depend

on several factors, including trading volume, market capitalization, component asset prices, and asset weights. Most indices use a specific methodology to calculate their value, which makes them valuable tools for measuring the overall performance of a market or a particular sector. In addition, financial market indicators are used as a means of presenting a comprehensive picture of financial markets and their developments to investors and analysts, and contribute to effective investment decision-making and risk management.

A. Definition of stock market indicators

Financial market indicators are considered important measures that reflect the size of the economy and levels of transparency and efficiency in operation and management. The stability and growth of financial markets affects the general image of the country in terms of its ability to attract investments, increase financial stability, and support economic growth. In addition, financial market indices provide us with a historical perspective on market performance, providing investors with a more comprehensive and accurate view of their investment decisions. Investors who cannot decide which individual stocks to buy may benefit from indicators to make their investment decisions. These indicators act as indicative indicators that show the performance of the market in general, which helps investors understand market trends and make investment decisions based on analyzes based on quantitative data and information (Metwally, 2016: 136). They are tools that allow complex events that are often difficult to understand to be expressed with a single number. , which provides general information about the results of changes, and they are tools that allow complex events that are often difficult to understand to be expressed in a single number, which provides general information about the results of changes (Ayyıldız, 2023:7). Therefore, it can be said that financial market indicators provide a frame of reference for investors that helps them To understand the market and analyze its performance, thus enhancing transparency and efficiency in financial markets and working to enhance confidence among investors and support economic growth.

B. Functions of stock market indicators

The great importance of preparing and designing financial market indicators is due to many of the main functions and uses of these indicators, including (AlAnazi & Sarhan, 2023: 245)

1. Predicting the volume of activity in the financial market: Indicators help estimate and predict the trading volume and activity in the market, which helps traders and investors understand the extent of movement and fluctuation in the markets.
2. Help in forming investment portfolios: Indicators can be used to evaluate the performance of financial assets and guide investment decisions, which helps investors build and manage their investment portfolios in an effective manner.
3. Forecasting the economic situation: Some economic indicators reflect the state of the economy and its various sectors, which makes it possible to predict the future trends of the economy and make economic decisions based on that.
4. Monitoring the productivity of industries: Indicators help monitor and analyze the performance of various industries and know the extent of their productivity and growth, which

enables us to estimate the impact of these industries on the economy in general and make the necessary decisions based on that.

VI. C. METHODS OF CONSTRUCTING AND COMPOSING STOCK MARKET INDICATORS

Market indices are a set of financial instruments that are used to measure the performance of the financial market in general, as they usually consist of a specific number of stocks and bonds representing a specific sector or the entire market. The price movement of these stocks and bonds reflects the future trends of prices in the market, which makes it a useful tool for estimating general market trends and making investment decisions. Building indicators in the stock market must achieve the following goals (Qabalan, 2011: 95)

1. The indicator must have economic significance. This means that the indicator should be a measure that reflects the state of the economy and the financial market in a tangible and useful way for investors and traders.
2. To take into account statistical rules, which means that building the indicator must be based on correct and objective statistical methodology and rules to ensure the accuracy and reliability of the results.
3. The index must be priceable, meaning that its value can be measured in a clear and understandable way. This allows investors to understand the economic and financial impact of the index and estimate its value accurately.

VII. 4. THE CONCEPT OF ELECTRONIC TRADING

It is the process of buying and selling assets on a short time scale. Here, assets mean any financial security, commodity or currency owned by economic entities. The participants in this process, who trade, are called “traders”. A distinction can be made between retail traders and institutional traders, as a retail trader refers to a person who trades individually, while an institutional trader refers to a person who is employed by a financial institution to perform trading tasks (Charles, 2018: 1). Financial trading institutions engage in trading operations. Buying and selling a variety of financial products, such as stocks, physical commodities, and financial options, with the aim of making a profit and enhancing their investment portfolios (Leaver, 2016: 815). The beginnings of securities trading were of a primitive nature, as they relied on the exchange of goods, financial settlement, and documentation of transactions as procedures. commercial. As financial settlement is not always complete, debt instruments appear as securities. As a result of the need to liquidate securities, the first stock markets arose. In these early markets, operations were manual for registration and settlement, and prices were publicly announced using calls and bidding. Then there was a transition to complete reliance on advanced technology, where all order registration processes were carried out electronically, and real-time settlements were carried out in a technical mechanism, taking only fractions of a second. The accuracy of these operations depends on the instructions specified by the regulated financial markets in various countries. A set of procedures have been put in place that aim to ensure complete fairness for sellers and buyers, and to ensure the accuracy and speed of financial operations through intermediaries. They are committed to executing any orders that reach them from their agents in the market order register, according to the timing and prices specified for each order (Heba, 2020: 98). The history of the American

stock market (Nasdaq) witnessed important events in regulating electronic trading, as the system was launched in 1971. This launch coincided with the emergence of electronic communications networks, where brokers began to play a role in disseminating trading information and using the electronic system, which led to the abandonment of manual trading. Financial markets in the United States and Europe then began to adopt electronic systems, taking advantage of financial trading, custody, and settlement technology to develop electronic trading. These technologies have led to the linking of the financial systems of different countries. The electronic trading system has been used to improve trading processes, but also to change the overall structure of trading. This transformation improved the effectiveness and transparency of financial markets and facilitated trade exchange between markets (Gorham & Singh, 2009: 13).

VIII. 1. ELECTRONIC TRADING PLATFORMS

Trading in financial instruments has witnessed radical changes in recent decades. Advances in computing power and improvements in communications networks have facilitated the development of high-speed, interconnected electronic trading platforms, which has greatly increased automated trading. As traders improved their ability to easily connect with electronic trading platforms, they adapted their methods with the aim of searching for new opportunities to make profit (Litzenberger, 2012: 60). Electronic platforms constitute a qualitative shift in the economic structure, as they have become centralized and the supplier of electronic data plays a decisive role in driving operations. Economic and creating added value to the economy (Unctad digital economy report, 2019: 25) Electronic platforms are defined as a business that depends on enabling interactions to create value between external producers and consumers. The platform offers an open and participatory infrastructure to facilitate these interactions. Digital platforms offer these mechanisms online (Parker,etal,2016:11). Traders can now purchase a variety of stocks online, which is known as a portfolio. The goal of holding a portfolio is to maximize returns and minimize risks associated with investing. There are costs associated with buying and selling stocks known as transaction costs or commissions paid to the broker. The more buying and selling (turnover), the greater the transaction costs. Simply put, traders who place more trades or have a higher turnover face higher costs, which affects their financial returns. However, online trading has seen a significant reduction in transaction costs, as online brokers charge lower commissions compared to traditional brokers. This reduction in costs has contributed In providing an opportunity for traders to achieve better returns in general (Elfadl, 2015: 3298)

IX. 2. ROBINHOOD TRADING PLATFORM

Historically, trading in the stock market was considered an activity limited to the major stock exchanges and head offices on Wall Street, where brokers gathered and dealt together in a noisy environment, trying to close deals in a moment of pressure to bolster their portfolios. With the advancement of financial technology, or “fintech,” this scenario has changed, as anyone can now enter the world of investing from almost anywhere, provided they have access to the Internet. New financial technology companies have seen their entry into this market, making Stock trading is available to everyone by downloading an application on

smartphones. One of these pioneering companies was Robinhood, a digital startup founded in Menlo Park, California, in 2013. Robinhood was founded by two Stanford graduates who worked on building high-frequency trading platforms for financial companies in New York. During their time at hedge funds, the two founders realized that institutions were paying exorbitant trading and transaction fees, which inspired them to use their past experiences to enable anyone to have the same ability to trade at a lower cost (Steib, 2021: 25).

The Robinhood platform is open to individual users, enabling them to buy and sell in various markets such as stocks, index funds, futures, cryptocurrencies, and other assets. The platform is characterized by its simplicity and ease of use, making it an ideal choice for beginners in the world of stock trading. One of Robinhood's notable features is that it does not charge trading fees on trades, which allows investors to make buys and sells without paying traditional trading commissions. This model makes Robinhood competitive compared to traditional brokers that may charge high trading fees. Robinhood also offers a range of tools and features that help investors analyze the markets and make their trading decisions. These features include advanced charting, financial news, personalized notifications, and the provision of a wide range of financial data. He points out that Robinhood is not just limited to individual trading, but institutional investors and e-commerce companies can also use it to access financial markets. On the security front, Robinhood works hard to protect users' data and secure their accounts by adopting strict security measures and using industry-approved encryption techniques. (etal, 2021:42 & Brad) The Robinhood platform has mainly attracted young investors, as their average age ranges around 31 years, and represents half of the users who deal on the platform, most of whom have no previous experience in the field of investment (Tan, 2021:13) Robinhood relies Interactive design techniques are used in designing their application to make the investment process an intuitive and enjoyable experience. This involves using concepts from the field of jackpots, lottery ticket designs, and bonus alerts to depict investment decisions and stock performance. This is demonstrated through screen design that borrows ideas such as winning a big jackpot when investing, and using lottery concepts of drawing and winning to encourage users to remain active in their trades. For example, investing is depicted through a design that takes inspiration from the concept of winning a jackpot, where shares are offered as prizes. Achieved by the user, shiny images of stocks appear as symbols of big wins and rewarding investment opportunities (Cozby, 2023:10)

X. 3. ROBINHOOD PLATFORM FEATURES

The Robinhood platform is characterized by several features that make it attractive to investors and traders, and among the most important of these features are: (etal, 2021:51& Brad)

A. Robinhood does not charge any fees for trades, allowing investors to buy and sell securities without paying traditional trading commissions. This model makes trading available and low-cost, which helps make the investment process more motivating for investors to participate in the financial market without financial obstacles.

B. Robinhood has a simple and easy-to-use user interface, which makes it suitable for beginners in stock trading. Users can easily search for stocks and financial assets and execute

trades through the app or website. This simplified interface facilitates the browsing and trading process for investors, which increases their access to the financial markets and achieving their investment goals with ease and ease.

C. The Robinhood platform provides investors with access to a variety of financial assets, including stocks, index funds, cryptocurrencies, futures, and more. Investors can diversify their portfolios and invest in a variety of asset classes, which helps them achieve diversification and improve the performance of their investment portfolios in a comprehensive and balanced manner.

D. The Robinhood platform provides a variety of financial tools and information that help investors make trading decisions. These tools include advanced charts that display the performance of stocks and other assets, live financial news that provides in-depth analysis and reports, personalized notifications that alert investors to important market events, as well as comprehensive financial data that provides detailed information about companies and assets. These tools and information enable investors to better understand the market and make investment decisions based on informed analysis and accurate information.

E. Investors can open an account on the Robinhood platform easily and without monthly fees or minimum deposit. In addition, Robinhood offers high-yield savings accounts, where investors can earn interest on the cash balance they hold in their accounts. This service provides investors with the opportunity to obtain an additional return on their money without having to open an account in a separate savings bank.

XI. 8. THE TRADING MECHANISM ON THE ROBINHOOD PLATFORM

The Robinhood platform follows a real-time trading model, with simplicity and ease. These are the basic steps for trading on the Robinhood platform: (Gorbachev, 2020: 23 & Michael)

A. Account opening: To open an account on the Robinhood platform, you can access the Robinhood official website or download the Robinhood mobile application from the appropriate application store (Google Play Store for Android devices, or App Store for iOS devices).

B. Deposit funds: After opening the account, investors must deposit funds into it through the available means. A credit or debit card, or bank account can be used to fund the account on the Robinhood platform

C. Search and selection: After funding the account, the investor can search for the securities that he wants to buy or sell on the Robinhood platform. You can use the application's search function to find stocks, index funds, or digital currencies. You can browse the available range of financial assets and use the filters and tools available to identify assets that meet investors' needs and investment interests. You can also view the financial data and information available for each security before making a decision to buy or sell.

D. Executing the deal: After choosing the desired financial asset, the number of units that the investor wishes to buy or sell can be determined and the deal can be confirmed. The order type (such as market or limit) can also be selected and any additional settings set before the trade is executed. Transaction information can also be carefully reviewed before confirming it, such as price, number of units, and order type, to ensure the validity of the transaction.

After confirmation, the transaction will be executed and the financial asset will be added to the investor’s portfolio.

E. Portfolio monitoring: After executing the deal, investors can monitor the performance of the portfolio and the value of their investments on the Robinhood platform. They can view price charts and follow financial news related to the assets they own. Tracking and monitoring portfolio performance is an important part of the investment decision-making process.

XII. 9. DATA ANALYSIS

In this part, we will study the impact of the Robinhood platform on financial market indicators, specifically the Wall Street market. We will analyze how the general index of the Robinhood platform as an independent variable affects indicators such as market value, the number of shares traded, and the number of trades on the Wall Street market as dependent variables. This study aims to understand the relationship between these variables and estimate the impact of the Robinhood platform on the Wall Street market. The applied side of the study will be addressed for the purpose of determining the validity of the hypotheses on which the study was based.

Table (1) shows a description of the study data that was relied upon in the applied aspect of the study

Data	Robinhood	Market Cap
N	520	520
Mean	33699000000	57914000000
Std. Error of Mean	335258000	3872410000
Median	35287000000	21060000000
Mode	0	2630000000
Std. Deviation	0.764507	0.883045
Variance	0.584470953	0.779768472
Skewness	4.008	4
Std. Error of Skewness	0	0
Kurtosis	1.5	2.7
Std. Error of Kurtosis	0	0
Range	38200000000	80700000000
Minimum	0	2630000000
Maximum	38200000000	81000000000
Sum	17500000000000	3010000000000

Table (2) Results of the slowdown period test for the general indicator of the Robinhood platform

Lag	LogL	LR	FPE	AIC	SC	HQ
0	12211.76	NA	3.69e+19	- 47.89316	- 47.90146	- 47.89641
1	11725.80	968.1071	5.51e+18	- 45.99136	- 46.00796	- 45.99787
2	11698.01	55.24654	4.96e+18	- 45.88631	- 45.91122	- 45.89608
3	11694.28	7.397658	4.91e+18	- 45.87561	- 45.90882	- 45.88863
4	11693.75	1.060948	4.92e+18	- 45.87743	- 45.91895	- 45.89371
5	11693.66	0.176703	4.94e+18	- 45.88100	- 45.93082	- 45.90053
6	11693.52	0.259490	4.95e+18	- 45.88441	- 45.94253	- 45.90720
7	11693.37	0.295284	4.97e+18	- 45.88774	- 45.95416	- 45.91378
8	11693.32	0.107507	4.99e+18	- 45.89145	- 45.96617	- 45.92075
9	11693.32	0.000624	5.01e+18	- 45.89537	- 45.97840	- 45.92792
10	11693.32	0.000989	5.03e+18	- 45.89929	- 45.99062	- 45.93510

Through Table (2), the results of the slowdown period test for the general indicator of the Robinhood platform, it became clear that:

The ideal slowdown period for the model was period No. (1), and the value of LogL, or what is known as (Log Likelihood), was (11725.80), which is the highest value during the (10) slowdown periods. This value represents the probability that the model fits the data.

The value of the AIC criterion, or what is known as (Akaike Information Critira), reached (45.99136-), which is the lowest value during the slowdown periods (10). This value represents achieving a balance between the complexity of the model and its ability to interpret the data. The value of the SIC standard, or what is known as (Schwarz Information Criterion), reached (46.00796), which is the lowest value during the 10 slow periods, and this value represents the achievement of symmetrical balance. The value of the H.Q standard, or what is known as (HannanQuinn Criterion), reached (45.99787). -), which is the lowest value during the slowdown periods (10), and this value represents achieving a symmetrical balance between the complexity of the model and its flexibility in compatibility with the data. Therefore, according to the criteria in the table, the ideal slowdown period for the Robin Hood platform is the first

Table (3) The slowdown period for the market value of the Wall Street market

Lag	LogL	LR	FPE	AIC	SC	HQ
0	13579.89	NA	7.89e+21	- 53.25838	-53.26668	- 53.26164
1	13578.31	3.132494	7.88e+21	- 53.25614	- 53.27274	- 53.26265
2	13571.77	13.00820	7.71e+21	- 53.23440	- 53.25931	- 53.24417
3	13571.75	0.035665	7.74e+21	- 53.23825	- 53.27146	- 53.25127
4	13569.20	5.067171	7.69e+21	- 53.23214	- 53.27365	- 53.24842
5	13568.09	2.192866	7.69e+21	- 53.23171	- 53.28153	- 53.25124
6	13568.07	0.034058	7.72e+21	- 53.23556	- 53.29368	- 53.25835
7	13566.49	3.101227	7.70e+21	- 53.23331	- 53.29973	- 53.25935
8	13566.33	0.317726	7.72e+21	- 53.23660	- 53.31132	- 53.26589
9	13564.97	2.673303	7.71e+21	- 53.23517	- 53.31820	- 53.26772
10	13564.27	1.372990	7.72e+21	-53.23634	- 53.32767	- 53.27215

Through Table (3) the results of the slowdown period for the market value of the Wall Street market, the following became clear: -

The ideal slowdown period for the model was period No. (1). The value of LogL, or what is known as (Log Likelihood), was (13579.89), which is the highest value during the (10) slowdown periods. This value represents the probability that the model fits the data. The value of the AIC criterion, or what is known as (Akaike Information Critira), was (-53.25838), which is the lowest value during periods of slowness (10). This value represents achieving a balance between the complexity of the model and its ability to interpret the data.

The value of the SIC standard, or what is known as (Schwarz Information Criterion), reached (-53.26668), which is the lowest value during the (10) slow periods, and this value represents the achievement of symmetrical balance. The value of the H.Q criterion, or what is known as (HannanQueen Criterion), was (53.26164), which is the lowest value during the (10) slow periods. This value represents achieving a symmetrical balance between the complexity of the model and its flexibility in compatibility with the data.

Therefore, according to the criteria in the table, the ideal slowdown period for the market value of the Wall Street market is the first.

Table (4) Co-integration test for the general index of the Robinhood platform and the market capitalization

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
MARKET_CAP(-1)	-0.131028	0.043062	-3.042763	0.0025
MARKET_CAP(-2)	0.038329	0.041898	0.914835	0.3607
MARKET_CAP(-3)	-0.095271	0.041572	-2.291703	0.0223
MARKET_CAP(-4)	-0.153720	0.040312	-3.813265	0.0002
MARKET_CAP(-5)	0.068186	0.038896	1.753032	0.0802
MARKET_CAP(-6)	0.011750	0.038574	0.304606	0.7608
MARKET_CAP(-7)	0.094223	0.038511	2.446668	0.0148
ROBINHOOD	2.371103	1.512355	1.567821	0.1176
ROBINHOOD(-1)	5.382844	1.734581	3.103254	0.0020
ROBINHOOD(-2)	11.06250	1.780599	6.212796	0.0000
ROBINHOOD(-3)	-2.252761	1.821373	-1.236848	0.2167
ROBINHOOD(-4)	-3.480660	1.816704	-1.915920	0.0559
ROBINHOOD(-5)	2.680500	1.819657	1.473080	0.1414
ROBINHOOD(-6)	-4.598009	1.779412	-2.584005	0.0101
ROBINHOOD(-7)	-10.01042	1.645674	-6.082868	0.0000
C	2.23E+10	1.78E+10	1.250059	0.2119
R-squared	0.306045	Mean dependent var		5.76E+10
Adjusted R-squared	0.285100	S.D. dependent var		8.86E+10
S.E. of regression	7.49E+10	Akaike info criterion		52.94711
Sum squared resid	2.79E+24	Schwarz criterion		53.07936
Log likelihood	-13564.93	Hannan-Quinn criter.		52.99895
F-statistic	14.61229	Durbin-Watson stat		2.021020
Prob(F-statistic)	0.000000			

Through Table (4) the results of the co-integration test between the Robinhood platform and the market value of the Wall Street market, the following became clear:

The value of the interpretation factor R² was (0.3060), meaning that any change that occurs in the market value of the Wall Street market can be explained by the fact that (30%) is due to the Robinhood platform, while the remaining percentage, which is estimated at (70%), is it is due to other factors that were not addressed in the current study.

In terms of the F value calculated for the cointegration relationship between the Robinhood platform and the market value of the Wall Street market (14.61), which is higher than the tabular F value at the 5% significance level of (2.31), this means that there is a relationship

between the Robinhood platform and the market value of the (Wall Street) market. Wall Street) .

The p-value was (0.000), which is less than the hypothesized level of significance of (5%). This is evidence that the relationship between the Robinhood platform and the market value of the Wall Street market is significant and statistically significant.

The decision is to accept the existence hypothesis, which states (there is a statistically significant relationship between the Robinhood platform and the market value of the Wall Street market).

10. CONCLUSIONS

The impact of Robinhood on Wall Street trading indices has been the subject of much discussion and analysis. It is important to note that market dynamics can change rapidly, and new developments may occur.

A. With its easy-to-use interface and commission-free trading service, the Robinhood platform has attracted a large number of retail investors to the stock market. As these new investors, often referred to as “Robinhood traders,” have entered the market, this influx has led to a marked increase in retail investor participation in the market. As a result of this shift, some stocks popular among Robinhood users have seen increased volatility and trading volumes.

B. Retail investor participation, facilitated by the Robinhood platform, has, in some cases, increased its impact on individual stock prices. Stocks that are highly popular on the platform can see price fluctuations quickly, as a result of active trading done by Robinhood traders. However, it should be noted that the impact of this platform on broad market indices, such as the Dow Jones Industrial Average or the S&P 500, is generally limited. This is due to the relatively small size of Robinhood's user base compared to institutional investors, who have a greater influence on the financial markets.

C. The graphical aspects of the Robinhood platform, such as leaderboards and animations, can foster a herd mentality among its users. This can result in speculative trading behavior, where traders follow trends and make investment decisions based on collective sentiment rather than fundamental analysis. This behavior can increase volatility in financial markets and may distort market indicators.

D. Robinhood users are known for their great activity on social media platforms, especially Reddit and Twitter. Online communities like WallStreetBets on Reddit are known to be able to attract significant attention towards particular stocks, sometimes leading to a phenomenon known as "meme stocks." This type of stock often faces extreme volatility, as retail investors congregate around it, creating an environment where sentiment on social media platforms can impact trading patterns in the market.

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