

SUGAR MOMMA? DID YOU BUY JOHN A LEAD ON INTRADE?

Congressional Quarterly confirms something Nate Silver pointed out some time ago. Someone has been trying to game the online market Intrade to make it look like John McCain was winning.

An internal investigation by the popular online market Intrade has revealed that a single investor's purchases prompted "unusual" price swings that significantly boosted the prediction that Sen. John McCain will become president.

Over the past several weeks, the investor has pushed hundreds of thousands of dollars into one of Intrade's predictive markets for the presidential election, the company said, resulting in repeated monetary losses through a strategy that belies any financial motive.

"The trading that caused the unusual price movements and discrepancies was principally due to a single 'institutional' member on Intrade," said the company's chief executive, John Delaney, in a statement released Thursday. "We have been in contact with the firm on a number of occasions. I have spoken to those involved personally."

After an extensive investigation into the suspicious trading patterns, Intrade found no wrongdoing or violation of its exchange rules, the company said. [my emphasis]

CQ goes on at some length to explain what a stupid "investor" this person was and how much

money she (or he) wasted telegraphing to other investors when she (or he) would be dumping large sums into the market and paying extra because she (or he) invested exclusively in this market. Whoever was doing the market manipulation, CQ concluded, had to be trying to influence appearances, not make a buck.

So who would dump money on a transparent (well, at least to Nate Silver) attempt to make John McCain look more successful than he was?

Honestly, there's absolutely no reason to think it really was McCain's Sugar Momma buying off the market. This person is, for the moment at least, just an anonymous someone willing to dump hundreds of thousands of dollars into make the failing McCain campaign look better. Though Intrade completely discredits itself as a market by refusing to state whether McCain's fan was associated with his campaign.

Citing privacy policies, Delaney would not elaborate on who the investor was or whether or not that investor was affiliated in any way with a political campaign. [my emphasis]

But just so you know, Intrade still wants you to believe that they're "generally more accurate" than polls.

Intrade. Where all the fashionable trophy wives go to buy their men a lead.