

Kat:

Hey, Mark, thank you so much for being with us here for a special interview for Crypto Rules.

Mark:

Thanks for having me, Kat.

Kat:

You're so welcome. So, Mark, tell us a little bit about what you're doing right now with crypto. I know you just mentioned you were on Steve Bannon. Tell me what's going on with Mark Jeftovic and craft crypto right now?

Mark:

Well, what we did this year is we launched a new newsletter called The Crypto Capitalist. And the you know, we cover the macro environment, like why crypto? We sort of answer that question. But then there's this tactical focus or specialization. The big idea really is benefit from crypto without buying actual crypto. So how do we do that? We do that by investing in crypto equities, like the publicly traded companies that are in the crypto space.

Mark:

And this is I get excited talking about it because this is so new. Like crypto has been around since 2009 and I discovered it in 2013. But even on the previous cycles in crypto, there weren't a lot of companies like, you know, in 2017 when there was that big upcycle, I was like, well, are there any companies that are trading that I can actually not only have my crypto holdings directly, but invest in these companies and get benefit there?

Mark:

Because I'm up in Canada, we have our RSP PS your money's kind of locked into retirement, but it's like I want to capture some of this from inside my RRSP. And at the time there was Overstock was considered a crypto company, even though it was like not really a pure play and there wasn't a lot of options. But on this now this cycle, 20, 20, 20, 21 so the arrival of the institutional investors, the arrival of the hedge funds, the support from PayPal and MasterCard and all of these huge entities are like getting involved in the plumbing, in the wiring of this.

Mark:

There's also pure play publicly traded crypto companies. There's Bitcoin miners, there's there's DFI companies. And so now it's, well, we can cover these. And what's really incredible about it, I'm a value investor at heart I came up as you know, studying the Warren Buffett's and, and the the Mark Spitz snuggles and and who was the guy who who self Seth Klarman margin of safety like so these guys are you know somber value you margin of safety kind of investors who's going to go

near high flying crypto companies.

Mark:

Well you look at these companies now they're not half high flying they're actually trading at these muted price to earnings multiples. They meet a lot of the criteria of value investing even though cryptos have been going berserk because the a lot of these companies are undiscovered gems. There might be a couple of media darlings, but there's all these other companies that are still under the radar.

Mark:

It's still very early in their life cycles. And I mean, crypto is here to stay. There's no question about that. And so these companies it's like buying a Microsoft in 1992 or getting into Amazon in 98 or a Berkshire Hathaway when they were still a textile company. That's the way I look at these opportunities really, as you can tell, I get really excited about.

Kat:

Yeah, that's, that's what I love that you're excited about it because we're, we're starting to get excited about it, but we don't have the understanding you do. And you, you, you said a couple of things that were really important that I want to unpack.

Mark:

Sure.

Kat:

That one is crypto is here to stay, that's for sure. Yes, absolutely. So, you know, not everybody believes that. So tell me why that's such a compelling argument for you.

Mark:

So you have to go back 500 years. I mean, let's look at the Renaissance in the Enlightenment, OK? What happened in that era that set off this whole level up in the human activity in the human enterprise? Two things happened right? The Guttenberg press and double entry accounting. All right. That kicked off the Enlightenment and that changed the game completely.

Mark:

It changed the nature of power in those days. And before that, the church was that the nexus of power in the world. And because of this, these two changes that actually increased what you would call the level of intellectual abstraction it set, and it changed the architecture of power and it set off the Enlightenment really now. It was messy and it was turbulent.

Mark:

It took a couple of hundred years, but it was the end of the church as

the focus of power and the beginning of the nation state. OK, the same thing is happening today. So the Gutenberg machine of today was the Internet, right? And that's been coming out. And it changed the way we communicate with each other. And the double entry bookkeeping that has been discovered is the blockchain, a decentralized, cryptographically secured non state money.

Mark:

It's taking the punchbowl away from the nation state. And so, again, it's going to make a change in the level of abstraction and it's going to change the structure of power. So we're actually entering into an era. I mean, you hear you hear talking heads talk about it sometimes, but it's not the way I mean it. The post nation state era.

Mark:

I mean, there's a there's been a phrase that we hear a lot called the network state, and I've used that phrase. I also make a differentiation between a networked state like like Facebook and Google are almost becoming sovereign entities unto themselves. OK, that's what I think they've already have. Yes. Especially once, once once they start issuing their own digital currencies, they you know, your Facebook account is going to be more important to your day to day life than your your nation state issued passport.

Mark:

OK, I make a differentiation there. Even beyond network states. I call them crypto claves. I just haven't come up with a better phrase for it. But it's these fully decentralized, cryptographically secured sovereignties like you have dows, you have decentralized, autonomous organizations. And so that's the way things are going in terms of like these architectural changes to the plumbing of our society.

Mark:

Now, the cryptos themselves I've every single objection you hear from people that say, oh, they're worthless, they're Ponzi. Like I just every time I mentally just take out the word crypto and I substitute the word fiat money or the U.S. dollar, and it just fits more appropriately. They're like, oh, cryptos are backed by nothing. OK, what's the U.S. dollar backed by OK, cryptos are a Ponzi.

Mark:

OK, what's Social Security? When you look at every single when you look at every specific objection to crypto, they just fit more appropriately to fiat money when especially when you talk about backed by nothing and being a Ponzi and that sort of thing. So crypto itself, now that it's built into the regulatory framework of of liberal democracy, so it's here to stay.

Mark:

We're getting taxed on it. There's ETFs on it. Yeah. They're wrangling

over policy around it. We're past the point of no return it's baked into the cake now. So crypto very much is here to stay, and it's the way everything's going in the future.

Kat:

Well, I appreciate that feedback. You know, every time we hear a great argument, it helps kind of change our minds a little bit and our mindset a little bit, right? So the other thing you talked about, which was fascinating to me and you gave kind of an overview, but I really want to understand, you talked about investing in crypto without buying the coin.

Kat:

Right? And it makes common sense. OK, there's a company behind that. But isn't that what buying the coin invest in?

Mark:

When you're buying a straight crypto like Bitcoin, you're actually owning the monetary asset. It's like owning a brick, a digital gold. OK, so when you own a gold coin or a one K gold bar or actually I got a got my little ten ounce paperweight right? Here, I don't own the miner. Right? I'm owning the underlying thing itself.

Mark:

And that's what it is when you own Bitcoin. Now you can go out, I can go buy shares in Barrick Gold or El Dorado or Kinross, and I have sort of an indirect claim on the gold that they're pulling out of the ground. And similarly, I can go over into the crypto stock's world and I can buy shares of Bitcoin mining companies that are basically mining Bitcoin in these huge data centers.

Mark:

And what pretty well all of the Bitcoin miners do now is that they don't sell their Bitcoin into the open market because they see that the trajectory that we're on in the future. So they're actually they raise funds to cover their day to day operations and then they hold their Bitcoin and they're just they're hot doing it. I'm sure you've heard that expression over the course of this thing.

Mark:

So they're coddling all the Bitcoin and they put out these monthly Huddle reports. And so sometimes you can even see these mismatches. Like when I first started the crypto capitalist, I'm looking at some of these companies balance sheets and I'm like, this company is holding more Bitcoin on its balance sheet than it's trading for in the public market.

Mark:

So if I buy their shares, I'm getting this Bitcoin at a discount, and that still exists in some situations today. But the other there's

another side to what you said. There are like on Ethereum, that's a different blockchain, I'm sure you've talked about. Ethereum is a little different from Bitcoin because I consider Bitcoin to be the value and a Ethereum to be an execution platform.

Mark:

So over here on a Ethereum, you have what's called decentralized finance. OK, so these are people doing peer to peer lending and people doing credit default swaps, just things like all of these things, except there's no intermediary, there's no central bank, it's just happening on a peer to bare basis through smart contracts. And what will happen sometimes? Not sometimes a lot.

Mark:

A lot of these decentralized exchanges or DFI protocols are structured in a way where they issue governance tokens. And so you buy these governance tokens. And so that's like another form of crypto. You got Bitcoin, you have a theory, and then you might buy a governance token like of a or unit swap or sushi swap. Now you own a stake in the actual organization.

Mark:

You own a stake in the organization. That's not a centralized bureaucratic corporation. It's a decentralized organization. And this governance token gives you voting rights on the projects they're going to take on the distribution model of the profits, the the direction that the protocol is going to go so it is sort of a new form and it's ascendant form of of equity ownership.

Mark:

And it's it's a it's quite novel. It's very interesting, very new, just happening, you know, it's unfolding in front of our very eyes.

Kat:

Wow. So when people say DFI, that's decentralized financial platform, correct? Yes. OK, so how is that different than what you're doing by buying stocks? Right.

Mark:

So our focus. Yeah, we have a tactical focus in the crypto capitalist on buying the publicly traded equities. And these are these we call it, you know, get exposure to crypto from the comfort of your own brokerage account. OK, so we're kind of bridging two worlds here. I mean, I still I own crypto directly and I invest in these DFI protocols directly.

Mark:

And we're probably who knows, by the time this comes out, we may have some some service that's going to help you get access to these DFI and direct crypto assets. But you can bridge the two worlds. I mean, some

of the readers on our list were get pensioners and and senior citizens saying, look, I don't want to learn how how to how to make my own seed phrase how to take self custody of this stuff.

Mark:

I don't this is making my brain melt down. Just tell me how to do this without a lot of brain damage. And I say, well, you know, do you have a do you have a Schwab account or interactive brokers? It's like, oh yeah, sure. OK, go in there buy here's the portfolio report, allocate a percentage to crypto buy these companies right.

Kat:

So that that you used a phrase bridged the gap. And I think that really is it. It's what I know and what I understand and the holdings accounts that I already have because I have to admit I, I watch my 20 something year old you know navigate you know, uni swap and swapping stuff out and going into accounts and, and we're like Mike, it's no big deal and honestly it takes me a minute to really comprehend it.

Kat:

So it's taking the world that we already know, but taking advantage of the movement and what's happening in crypto. That's what I heard you say.

Mark:

And in some cases you may haven't understanding of the crypto space, but you may have fiduciary or regulatory boundaries around it like we do also also on our list, we have family offices and private equity funds and investment funds who are saying, look, we can't go directly into the tokens, we can't go directly into the crypto. So we want your analysis on a month to month basis so that we can just still get exposure for our clients and, you know, get them, get them exposed to this space.

Kat:

Now it makes a lot of sense. OK, so you clearly know what you're talking about. You know all the background, you're watching this thing moving. And I want to talk more about how you select the stocks that you recommend. But first, this isn't your day job. So tell me, so how did you get sucked into this and have it become such a big part of your life?

Mark:

Well, so my day job is I run a domain registrar and web hosting company called Easy DNS out of Toronto. We started in 1998 and what happened was in 2013 I discovered bitcoin and I fell in love with it and we became the first domain registrar to accept Bitcoin as a payment method because I thought, I want access to this and I want to earn it through my business.

Mark:

I did the same thing years earlier. There was an earlier movement called Digital Gold Currencies in the early 00 I was like E Gold and PC Unix and gold bullion and gold money. Gold money is still around so the idea was to have digitally vaulted gold that you could send back and forth online, but there are also centralized solutions and E-gold eventually ran into some regulatory problems this is a little bit of a tangent, but somebody who was it that just said, Oh, as Peter Thiel said, he was at an early E-gold conference like in 2004 2005.

Mark:

And he says, I am betting that Satoshi Nakamoto was one of the attendees at that conference. I don't know who it was but I bet you he was there. And so I actually put easy DNS into E-gold as well. We were the first we were the only domain registrar where you could come to our website and register a domain using E-gold.

Mark:

And so we actually amassed physical gold by taking E-gold as payment and then we would cash it out, go to the bank and put it in the safety deposit box. And we were like the only tech company in the world probably that had physical gold on our balance sheet. So now 2013 comes along and I see Bitcoin and I'm like, this is an even better idea than digital gold currencies.

Mark:

I want this as well. So we hung out the shingle and we started taking Bitcoin as payments and just held it. And then Ethereum came and Ethereum because it's more of an execution platform, they started coming a little more directly into my sphere.

Mark:

Directly, and I just pause for a sec because a Ethereum was an execution platform. It came a little more directly into our area of operations because they put out something called Ethereum named service. And this is, you know, we're a DNS company, we're doing name service for domain names very quickly. That's just what maps between Web addresses and the IP addresses, right?

Mark:

So you got to go back and forth between them that that's what we do at a very core level. For years, people were saying we need a peer to peer DNS solution to get rid of this centralization in the world. And I always said peer to peer DNS, it's impossible. Don't you know you're going to have name collisions?

Mark:

Can't be done. Then along comes the blockchain and along comes Ethereum and they proved me wrong. And so Ethereum starts experimenting with a protocol called the Ethereum Name Service

Protocol. So I made contact with the working group there. They had a big conference in 2017 in London, England. They invited me out there, sort of like the token representative from the legacy DNS World and I went out there and we've been involved in the Ethereum name service protocol ever since.

Mark:

We're the only registrar again that lets you map your domain name to an Ethereum wallet using your instead of like you're sending Ethereum to this, you know, 64 digit long string of gobbledygook you can just say, I just send it to mark J.R on X, Y, Z, and it'll get.

Kat:

Oh, it's like a theory on PayPal.

Mark:

It's I mean, I guess that's a way to sort of like, you know, simplify it to just. Yeah, yeah.

Kat:

For, for my.

Mark:

Suffice it to say, it's like, you know, so there's started to get these intersections between what my main business did, you know, easy and assets like a web host and a domain company and then suddenly you know what's coming out of out of the crypto space that's sort of starting to converge with you know what what the future of the technology.

Mark:

And I just thought, OK, this is this is natural for us to just and then I just gravitated more into this space when the lockdowns hit, it was just I think everybody started a new business under lockdown. So I just started writing the newsletter.

Kat:

OK, so the lockdown happened and you said I started writing the newsletter. Tell me about that.

Mark:

So I've always been writing like a free blog on the website called Bomb Thrower Dot Com that's I talk about technology, I talk about finance history, sort of everything that doesn't fit on the Easy Desk blog I put over on bomb thrower. And then I started writing more about crypto and I started writing about crypto almost all the time.

Mark:

And then as I started finding these companies, these publicly traded crypto companies, I thought, I'm going to just write up a couple

reports on this and see what this looks like. And then suddenly it was just an idea that started to form. I wrote something called the Crypto Capitalist Manifesto, which you can get for free at the bomb thrower ecommerce site.

Mark:

And that laid out like this whole macro thesis that we've been talking about. And then I wrote, I said, You know what? I'm halfway to an information product here. So I wrote up a report like these are the eight companies I'm invested in right now. This is why I'm invested in these companies. And then the icing on the cake, I found a genuine Ben Graham style net net, this tiny little Bitcoin mining company that was trading for less than its asset value.

Mark:

Like it had all this Bitcoin had all this cash. It was like it had something like, you know, \$0.25 a share in Bitcoin in cash and in assets. And it was treating it like \$0.19 a share. And I'm like, Hallelujah, it's a Ben Graham net net. I can actually write a story that says a real honest to God crypto stock.

Mark:

That's a that's a net net. And I put the three together and I sent out the manifesto to another newsletter writer who I'd been following for a long time, Marc Faber, The Austrian Gloom, Boom, Doom. And I just wanted to get his opinion on it, and he just wrote me back. He said, This is great. Can I send it out to my readers next month?

Mark:

I'm like, OK, and suddenly it just we hit the ground running and we've never slowed down since. It just kind of caught on from there.

Kat:

Good for you. That's great. So what kind of so obviously you make recommendations on a monthly basis yeah.

Mark:

So right now we do two issues a month. We do a mid-month portfolio review and we do a month end sort of macro overview. That's kind of looks at the whole way, what's going on in economics, what's going on in the supply chain, geopolitical, and how that impacts on the crypto space we have a pretty concentrated portfolio. I still stick to those value investing roots.

Mark:

So it's I think we have ten names in the portfolios and then the ETFs, like we just say, you can get some direct exposure by ETFs. In Canada, we have a lot of ETFs. I don't know why crypto ETFs are such a big deal in the US. They're a reality now, but even those aren't spot ETFs yet. They're futures ETFs.

Mark:

So anyhow, mid-month portfolio, we update all our names, what's going on with some month end thing? And then in between that, if something comes up that require that, I think you need a note of its own. Like I put out a note on NAFTA, I put out a note on the Coinbase IPO. I plan to do one this week, although it's Friday, it's kind of gotten away from me I wanted to do a note on a Bitcoin Futures ETF versus a spot ETF.

Mark:

Should you buy the futures ETF or should you buy the spot ETF? Or some or some other way to get exposure to Bitcoin? And so and then you get the trade alerts. But we don't do a lot of trading, to be honest. I mean, we say these are the positions we go in, the positions we we monitor our positions.

Mark:

And if we find something new, I generally try to knock out one of the weaker positions because I don't want to just have everything under the sun. We don't buy everything. We don't buy anything that has the name bit in it or you know, we just we're we're discerning. And if something happens, you know, like a trade alert, you know, we, we don't do a lot of options, but we do the odd options play.

Mark:

So those are more time sensitive. And then I'll send out a trade alerts like, you know, take this option, play like time to take profits on this, play that sort of deal.

Kat:

OK, so give us I know other you know, other experts have covered this, but give us the the mark, a quick overview of spot futures options.

Mark:

OK, so a spot ETF.

Kat:

You don't do one or the other.

Mark:

OK, so a spot ETF is like a big pile of Bitcoin that gets sliced up into shares and sold. And so if money comes into the so let's say new money comes into the ETF, then they're going to go out and they're going to add enough Bitcoin. So like you're technically you are covered usually not at 100% ratio, but pretty close because there's administrative fees and that kind of thing.

Mark:

But like think of it, it's almost easier to understand it using gold

ETFs, right? So if you've got an ETF of gold somewhere, there's a warehouse with a big pile of gold and it's sliced up into shares and your shares translate to ownership over that call. It's the same for a spot crypto ETF and they exist in Canada.

Mark:

They don't yet exist in the States. OK, a futures ETF. So a future is a derivative, right? So there's no pile of gold there's no pile of Bitcoin. There's just some guy writing a contract to you that says if gold gets to this price or Bitcoin gets to this price, on some date in the future, then I'll agree to pay you this amount of money.

Mark:

So you're not actually trading Bitcoin, you're not actually trading gold, you're trading somebody else's promises. And one of the whole attractions to Bitcoin especially is no counterparty risk. Now, I know in the stock world you have a little bit of that no matter what, you have custody risk. But the ethos of Bitcoin is no counterparty risk. Well, futures, the whole thing is counterparty risk.

Mark:

If you're, you know, anyone who's seen the movie The Big Short, right? Even when they were right about the trade, their counterparties were blowing up and it was and it was hamstringing them. So that's the difference between a futures and a spot ETF. Now, options, that's another derivative unto itself. You can write options on. I don't know if you can write in options on a futures contract.

Mark:

I bet you you can, but you can also write options on certain ETFs. OK, so an option is basically buying or selling the art, the right or the obligation to buy or sell the underlying asset at a given price. So if I've got this pile of gold and I think that I'm worried that gold might go down in the future, what I might do is sell some put options that give me give me the right to sell my gold at the price it's at now in the future.

Mark:

Same thing for Bitcoin. If I want to get exposure to something without going, if I want to buy a bunch of like let's say Bitcoin ETFs, but I don't want to pay full price for them, I might be able to buy some call options on those ETFs to say, OK, in the future, if they get to this price, I get to buy them at this price.

Mark:

And so you get some leverage with options and that's what's nice about them. You can actually control each options contract is usually 100 units, so you can control 100 units for not a lot of money. The problem is that as you get closer, options have definite expiry dates. So as you get closer to that expiry date, the value on that option is

going to decay sometimes rapidly, especially if the option is in the money or out of the money.

Mark:

So do you want to explain what that is or.

Kat:

Yeah, go ahead. I would love.

Mark:

OK, so I mean in the money means you could execute the option contract that you have right now and turn a profit on it. It means like I bought the right to buy Galaxy Digital. That's one of our holdings. So we did a we did an options play call options on Galaxy Digital at \$20 all right. That was what we sent that out to the readers.

Mark:

Galaxy was trading at like \$16 and the contract expires in April of 20, 22. So I sent out an email said, OK, trade alert everybody. If you're into this play, buy a bunch of galaxy call options at \$20 that gives us the right to buy Galaxy at \$20 any time before April 2022 Galaxy is trading at \$16. So we're not going to execute this contract now because we can just buy it cheaper at swap.

Mark:

But then suddenly now Galaxy is trading at 20 for \$25. So now we can buy Galaxy at \$20 and we could if we wanted to just turn around and sell it for 25 and pocket the difference. That's the magic of options. But let's say, let's say we bought it at a \$40 call because you got it really cheap.

Mark:

Then as you get closer to that expiry date, that decay like that option is going to become almost worthless because Galaxy is still at 25. It's not quite making it. So it cuts both ways, but it can be a pretty powerful tool.

Kat:

OK, so it's just what it sounds like, it's an option, it's paying a little bit of money to have an option to do something in the future. Higher or lower.

Mark:

Yeah, and there's, there's.

Kat:

A potential advantage.

Mark:

Yes. And there's some complex options strategies that actually help

people. Let's say your entire net worth is shares in some of your own company that you've taken public. Right. And you want some or you're a retiree, you work for some big company, you got a whole bunch of shares and you want you want income, right? You don't want to sell your shares.

Mark:

What you can do, you can sell options at the fantasy price for your shares and just earn a little bit of premium. Like, let's say I own you know, a thousand shares at \$50, but I don't want to sell those shares. Right. But what if someone was going to give me \$75 form? I would think about it. So I can sell options for \$75 on a monthly basis and just earn that little bit of premium.

Mark:

And if and the shares never get to that price.

Kat:

That's when the fee for the option is less.

Mark:

Yeah, OK, so people do think there's other things too, like maybe, maybe a stock is too expensive for you right now. Like it's \$100. It's like I love this stock, but it's trading at like, you know, 20 times earnings and I'd rather have it at ten. It's trading at \$100. So what I'll do is I'll, I'll sell a bunch of call options at \$50, so I'll sell a bunch of options at a price that I'm willing to buy the stock at.

Mark:

So now I'm, now I earn a little bit of premium for selling the option and if it doesn't happen, it doesn't happen I'm earning the premium. But then let's say, you know, you have a flash crash or COVID scare or something and suddenly my options all go in the money and everyone who's bought the options from me turns around and says, OK, now you have to buy these shares for me.

Mark:

And I say, Gladly, here's the money. Now I've gotten my shares at my fantasy price and I got paid to wait so you can do some pretty powerful things with them.

Kat:

That's really interesting. So you you know a lot. When did this whole, you know, digging into understanding, researching the stock market come from for you?

Mark:

Well, I've always been interested in it. I've always I've always enjoyed following the, you know, the greats, reading a lot of books on

it. Again, when Lockdown hit, I thought, OK, what am I going to do? I'm going to double down on my investing activities. And so I just dove into the podcasts and started getting all these books like you know, joy of compounding and stuff like that.

Mark:

Like just going into these books, listening to the, you know, Tobias Carlyle podcast and all these guys and these guys are masters. And not only in investing, it's like an MBA level business education as well. And I'm a businessman, so this is all great. And but what happened is, as I'm studying these stocks and trying to hone my, my knowledge of the craft of investing, I just kept finding all of these values in one place crypto, crypto, crypto, because I'm a cheapskate sort of when it comes to stocks, like I can't buy Tesla because I just don't understand why anyone would pay a million times earnings for a company like that.

Mark:

I don't buy Shopify like all of these high screaming unicorns. Like, I don't own any of them. I just like everything's overpriced. Real estate's overpriced. Stocks are overpriced, it's all overpriced. And then I say, I'm a value guy. I'm looking for value. And suddenly I'm like, Wait a minute, cryptos are at all time highs and this company is trading for two times earnings.

Mark:

This is actually a value play. And so I just my methodology and my process just took me into an area that I was already fascinated with. So it was just kind of like the stars aligned and the gods were screaming. And I thought, like, not a lot of people see this yet.

Kat:

I think other than you teaching us, most of us would not see it. So, you know, you dig into these podcasts, you read Joy of Compounding and what here's what happened for me, Mark when you held up that book, I was like, I would never read that. And then what I realized was, how cool is this? That I don't have to I have to do is let you do it, right?

Mark:

Yeah. No, that's exactly the rationale. And some of the people on the list, like some of these guys, they're running funds. They're they're doing their own analysis, they're doing their own work. And it's like we don't we either have to hire a crypto guy or, you know, for one, we probably will hire a crypto guy at some point.

Mark:

But in the meantime, let's just subscribe to the crypto capitalist and we at least get this briefing every month. And, you know, I think we get it right most of the time. Like when I hear of a new ETF or a fund

come out, it's like a so-called crypto fund all of our companies are in that ETF. Like they're picking the same people that we arrived at independently and then some.

Kat:

So that's very validating. So in, in your journey in this crypto journey, right? What is what's the biggest mistake you've made.

Mark:

Trying to time it? Yeah. So I had this fear when we launched like we launched in March, OK.

Kat:

Bitcoin 20, 14.

Mark:

20, not just this year, 20, 20, May. Yeah. So we launched March 20, 21. So I had already been buying these stocks since like mid 20, 20. So I had this these amazing entry prices on these stocks and we, we launched March 20, 20, we're a month away from all time highs and, and the typical large crypto correction that's coming after it.

Mark:

And you know around the getting to the end of March I'm thinking one of my readers are they going to get a good entry price if I launch this now and say these are good, are we going to get a good entry price too. I feel like, oh maybe things are getting a little topy, maybe they're going to come off a bit.

Mark:

Maybe I should take the profits off and then we all reenter right? So I sold out a closed out a whole bunch of positions. And in crypto you only have to be wrong for a couple of days to realize how wrong you were. Right. I think I did it on a Friday too. Came back Monday. I had I had to put all the positions back on all of them, and so I lost a little bit of slippage on that.

Mark:

And then when I look at my statements, it's like they were looking like, you know, hundred thousand percent gains and now they look like, you know, 20, 30% gains because I tried to time an intermediate top and I got like I got whipsawed. And so I'm not doing that anymore. It's like, OK, I tell our readers when we sign up, it's, you know, we're looking three to five years, we're looking ten years.

Mark:

I have some gold positions that are older than my daughter and she's a teenager, OK? She's in grade ten. So we're I'm looking for there's a company up in Canada called Constellation Software I don't know if they're known in the States, but they're like a Berkshire Hathaway

right there. \$42 billion company. They've been around for 12 years, 15 years.

Mark:

And they did it by just buying up all of these like little software as a service companies in the financial space. And, and if you bought them when they IPO to \$18, you would have waited like 66 years for them to crack above like 30, 40, \$50. Now they treat it like 20 \$200 a share OK that's what I'm trying to do with the crypto capitalist.

Mark:

I'm trying to find the next constellation software, the next Amazon, the next PayPal you're not going to care if you bought it at \$20 or \$50.08 years from now. Right. You're not, it's not going to. That's what we're trying to gain and we're not. They have sworn off to trying to capture these intermediate types and bottoms. It's like it's crypto, it's just too volatile and you have to know that going in.

Kat:

So this is not, this is antithetical to day trading and try and just sell buy, sell, buy.

Mark:

Yeah. It's not a black box that's spitting out trades. We don't use chart patterns. We sometimes look at we we use external research to look at blockchain analysis, which I consider completely different from from technical analysis just because of the nature of the blockchain but we don't try to market time. So we have this picture in the manifesto, which probably a good thing to just mention today.

Mark:

It's our overall thesis is like we have this little like sort of steampunk looking device and two big balloons on one side and two small balloons on the other side and on, on, on the left side. On the wrong side, the steampunk looking device is labeled the great reset. OK, so on the on the wrong side of the reset, we have \$120 trillion bonds and \$20 trillion M2 money, OK, of the 120 trillion in bonds, 20 trillion of them are negative yielding, right?

Mark:

It costs you money to own those bonds. Over here on the right side of the reset, we have like gold \$10 trillion and we have Bitcoin \$1 trillion or \$2 trillion for the entire crypto space and the airflow like it's a sucking sound and a blowing sound, right? And so the airflow is coming out of the left, the wrong side of a reset and it's going into the right side of the reset.

Mark:

And that is our metaphor. And so that's what we remind our readers of. We put that cartoon in every once in a while. It's like this. Remember

this, right? It's all going from this side to this side. So we don't care about. Well, Galaxy was \$25 yesterday and today it's only 22 now. Just, you know, if it goes down too much just decide if you want more.

Mark:

That's the only decision, right? We're in this for the long haul.

Kat:

OK, good. So that is very different. You know, we have our Bitcoin purists who are Houghtaling, they're in it for the long haul, but everyone kind of has all these weird strategies around this volatile thing called so and yours really is a new, new money crypto, a new form of money, right? And so new strategies what's refreshing about what you're doing is you're taking decades of wisdom and applying it to this new form of money that we have.

Kat:

That's what it sounds like to me.

Mark:

Yeah. I call it, you know, old school investing, new era in a new era environments and, you know, looking for value in all the wrong places is one of my my favorite quips.

Kat:

Well, it's it's refreshing and it's certainly not anything that we have so far in our series. And I think it's something that a lot of people can relate to. How much money does someone need to have to be able to really profit from your firm, your strategies and your holdings?

Mark:

You know, again, it's we we have people who, you know, they're on a budget. They're you know, they're just putting a few hundred bucks a month into crypto or into into their investment accounts and just trying to compound it or snowball that over time. And then we have family offices who are starting over. You know, millions of dollars that are safe.

Mark:

And so and I'll make this clear, we don't say we say to the opposite, don't go all in on this, OK? You got to decide on your allocation. So if you're a family office, we say, you know, five to 7% is a pretty good allocation and then break it down like this, OK? You're not going to bet the farm on anything.

Mark:

And if you're small and you're just starting out, it's like, well, I think I wrote in the latest issue, I said, you know, if you're going to buy one company out of this entire portfolio, just buy Galaxy,

right? So that's the freebie for the day is Galaxy Digital, right? They're trading at like 23 bucks a share. And if you're tiny, if you're a small investor and you don't have a lot to invest and buy one share a month.

Mark:

Right. And just and just build it up over time.

Kat:

That's that's great advice. OK, so I think we have a really good idea of what you do, how you do it, why you do it and how we benefit. What's the kind of like some final last words for someone who is looking to have some financial stability in these in these times we have coming?

Mark:

Well, I was going to say before you said to get financial stability, the final words I was going to say is we're still very early in this story. So some people look at this and they say, oh, my God, it's gone up so much, you know, did I miss it?

Kat:

I mean, I hear that a lot, Mark. Yeah, I really do.

Mark:

Yeah. You haven't missed it. This is just getting started. And again, the way you sort of gauge where we are in this is, again, look at the size of the balloons on the left side. Of the reset and the size over here. Watch that. Right. And watch how those move in relation to each other. That's when you're going to know when it's late in the story and when it's early in the story.

Mark:

But to get the financial stability thing, I'm going to throw out something that you might not be expecting. So if you don't own a business start a business right? Start a part time business on the side kitchen table business or something, and then start taking crypto as a payment method. That's how everyone should own a business. Everyone should own at least one business, part time business, and then take the businesses you own or that you're going to start and get them earning crypto and that's how you get some some shock absorbers and some stabilizers in this world we're going into.

Kat:

So that is not what I expected. And feels like brilliant advice. So thank you so much. Thank you so much for taking the time out of your busy schedule. I know you run a full time business. I know you're always like reached out to to appear on news and television and you know, or contributing and getting your newsletter out.

Kat:

So really it's a great treat for me personally and for our viewers to be able to meet you, get to know you and have this option in their financial life. So thanks again.

Mark:

Well, I got to tell you, I'm honored to be included in this because I've been a big fan of the Revealed Series for years, so I'm happy to be here. Thanks again.

Kat:

Fantastic.