Frank Curzio's WALL STREET UNPLUGGED

Announcer: Wall Street Unplugged looks beyond the regular headlines heard on mainstream financial media to bring you unscripted interviews and breaking commentary direct from Wall Street right to you on Mainstream.

Frank Curzio: What's going on out there? It's November 21st. I'm Frank Curzio of the Wall Street Unplugged podcast, where I break down the headlines and tell you what's really moving these markets. Happy Thanksgiving. One of my favorite holidays because I love spending time with my family. I love eating. You guys probably saw me, one of my pictures. And I love watching football. It's just a fun holiday.

This being a holiday week, I wanted to keep this podcast pretty simple, even though we've seen a really rough start to the week. The market's down sharply, not only due to the continued sell-off and FANG names, which are major components to so many ETFs, guys, I don't know if you see it. You have Retail ETFs and things like that, it's incredible. Incredible. That's how they've been outperforming and now with such a large stake in these ETFs they're coming down, you're seeing the whole market come down.

Also, retailers getting nailed this week, lots of them. Including Target, where the CEO said last quarter, last quarter so just three months ago, that this is the best consumer environment he's seen in his career. Then their report earnings on Tuesday and they warn of lower margins and higher inventory levels. Interesting. And I'm not picking on the guy here. My concern here is retail, or did the consumer landscape change that much in three months? Where you're saying this is the best I've seen in the industry, now it's well we might see lower margins, we're seeing higher inventory levels. And maybe it has changed that much. I know Kramer's been out there saying that the fed again has no idea and the CEOs that he talks to, it's an interesting

story, they're saying that things are not as good as everything seems. He's talking about the fed, maybe they should just relax and not get too crazy on raising rates that aggressively.

But you're looking at those big box retailers. Be careful, guys. I loved them last year this time around. It was a different environment. Last year at this time, in October/November, they were completely hated. They were trading as though they were going out of business. Department Store retailers. Today, going into the holiday season, they're loved. They're trading at a much higher valuations. Look at the stock, Walmart's been doing great. Target's been doing great. Kohl's. JWM was recently at a high. Expectations are at a lot higher.

Remember, we're heading into the holiday season where almost all these guys seem to get it wrong. Time and time again. Because they're trying to compete with Amazon. You're looking at Target and so many different companies saying we're going to offer two day shipping, which is going to crush them. That's why they're lowering margins. It's not about top-line sales. You can sell $20 billion worth of goods, but if it costs you 21 billion to produce, sell, whatever, you're going to lose money. And that's what these big box retailers are setting themselves up for. Aggressively competing with Amazon right here, but it's a different environment right now.

Be very careful of these guys. Because one factor is you have to hire tons of part-time employees. You have a lot of places paying top money for this. There's a labor shortage in the market. That's what's killing a lot of these companies. You're seeing wage growth. People are demanding more money. "What, Target, you're not going to pay me a certain amount per hour? Well, I can go to another retailer and they're paying me." So then Target has to raise their prices. All things that can contribute to margins. Lower profits. Not to mention that you're

discounting everything and trying to compete with Amazon who has the best logistic system in the world. Doesn't have as many big box stores. Free delivery. Going into the holiday season.

I wouldn't throw Home Depot in a big box retail, but, they're big box, but when you see a company like Home Depot, which came out about a week ago, maybe a little over a week ago, they blew out the numbers. Blew them out. Not only that they raised guidance. They said they going to earn close to $10 a shift, I think it was 9.75 compared to 9.50, 9.55 expected. They raised the same store sales guidance. An amazing quarter. It was like a week and a half ago, that stocks down 5/6% after reporting those amazing numbers. That's why you see when Target reports, you know they got a little nail. You're seeing a lot of these companies get hurt but what happens if they don't report those numbers and expectations are much higher today? These things could sell off 15/20/25% from these levels.

Be very careful. The holiday season, it's the worst period for these guys. They generate the most sales, they have to discount the most. I've talked to industry insiders. I remember Eddie Lampert from Sears, and this is a story it was pretty funny, where it was at street.com and it was a Christmas party. I remember he was there and he was good friends with Cramer. This is, wow, maybe 10 years ago. He was saying how this is the worst time for retails. Retails hate the holiday's. They got to discount everything, it's crazy. The store openings, the people they hire. It's just so busy and the profits are usually not that great for these guys because they discount so much in hopes that, "Hey, we're discounting a couple of things. You're coming to our store you're going to buy more stuff." But it's crazy. It's crazy out there. It's not a great environment, and I love these companies when there's very low expectations. They look like they were going to go out of business.

Now, a lot of these companies their stock prices are a lot higher and a company like Target that's been getting it right, which I've been wrong about. I didn't think Target would do this well out of all the retailers. Even from last year. But we have Target come out and warn, "Hey, guys, you really need to be careful here." So watch out for the retailers.

Again, we're seeing a sell off … One thing I will say, really quick, I wanted to keep this simple. So much for keeping it simple. But, you know, I care and I want to see you guys do well. I know getting a little nervous out there with the markets coming down. I would buy a thank stock here. Maybe not Netflix, even though that's down the most I believe. But, Facebook reported decent numbers, much better than I thought. Again, it's a stock I told you to avoid at 170 when it fell after the quarter. And what is it? 120, 130? Wherever it is getting destroyed. Or even, I wouldn't select Apple either but I think Google's a great name. That's one of the ones that would be great which is Alphabet now.

Netflix, again, is down a lot but still very expensive. Amazon, so Amazon and Google. The only reason why I'm saying that is because the latest trends this week, not Monday but Tuesday, we saw a rebound in these names where they're not leading the market lower anymore. Which means that people are probably going come in and start buying those and you're going to see those go a lot higher. I think you can get nice 10-15% gains off of those stocks. Even if they go up that much, they're still going to be down 20% off their lows. That's how much they've gotten crushed.

So a lot of things that are oversold here. Again, I wanted to keep the intro simple. I wanted to keep the podcast simple because it's Thanksgiving. I expected, you know, not so much of a sell off, a nice quiet week for the holiday. Unfortunately it's not so I did want to address that really quick.

By keeping it simple I just have an interview for you today. But it's going to be a really good one. Because my buddy, Marin Katusa, founder and CEO of Katusa Research. Who is a connected analyst in the resource industry. Someone who never holds back, says what's exactly on his mind which he's going to do. You're going to see that in a minute. We're going to cover everything from gold and silver to uranium. He's going to tell you where he thinks these commodities are heading over the next 12 months. Which are the best stocks to own in these sectors and also the ones to avoid, maybe even short. We're also going to talk about the financial newsletter industry. Something Marin's been a part of for around three to four years now. Get his thoughts and what he thinks. Guy used to focus on institutions mostly, now it's individual investors. So it's going to be a nice fun conversation for the holidays. Great interview.

You know what, let's get to that right now.

Marin Katusa, thinks so much for coming back on the podcast.

Marin Katusa: Always a pleasure buddy.

Frank Curzio: I think it's been a while, man. Usually you come on like every three months. I think it's been four or five months now. So, I'm interested … To start this off, you know, America and Thanksgiving. I know you're in Canada and stuff. But, I wanted to start off with something cool and just have a really nice interview, talk about the markets. But I wanted to start off with getting your thoughts on the financial newsletter industry, right. I mean, I think it's been three years, maybe four years now, that you decided to make that change where you're a person that's been dealing with institutions, high level people, credit investors. Now you're basically focused on individual investors. I wanted to get your opinion on is it what you expected making that transition? Have you learned

anything on how the industry operates, or for you just helping individual investors. I mean, that's got to be pretty cool. I know you talk about it with me all the time. I just wanted to get your thoughts and have some fun with this.

Marin Katusa: It's probably the best move I've ever done in my career. I'll explain why. See, Frank, what you and I do is very rare in the financial business. For whatever reason, some may say it's illegal or whatever. I don't buy it. Very few newsletter writers actually buy any of the stocks that they're touting, or talking about, or writing about, or recommending, or creating their whole promos. I guess I had my moment where I said, "Screw this, I'm out of here." When I got my subscribers into a stock at the same price as myself in my newsletter when I worked at my previous firm. I was there for over a decade, I was one of their key revenue earners. As the Street would say, he was an earner. I said, "Look, let's do the Katusa Free Ride." Basically, the people above said, "No, this is working really well as a promotion. You can't do that." We got into a big argument and essentially it was their firm, not mine. That's when I realized that I had to move on.

It's not always about what the right thing for the subscriber is in the financial newsletter. They actually are in the financial publishing business. There's a big difference. So, at that moment I said I got to start my own thing. That's exactly what I did. So for me it's subscribers get in on the same financing, at the same price, at the same time. Better yet, they get three business days to sell before I do. I do the site visits because this is what I love to do. I would do it regardless of if I had a newsletter or not. So, I was the first guy in the business to publish new markets that become Kirkland Lake and that was two chances to make a 10 bagger, plus the Northern Dynasty 10 bagger. Plus, we've had two buyouts, Altera and [inaudible] in the past 12 months. Blackbird just had a massive merger with a private deal that's funded by Riverstone.

So, my thesis is playing out. But, you know, in these deals I'm one of the largest investors in these companies. So, I guess the moral of the story is I think a lot of people can figure out who's who in the zoo by just quickly finding out is this publisher actually investing in this, or is he just entertaining me with these recommendations? Because you better believe there's a big different between the two.

Frank Curzio: There is a big different. One of the biggest differences I realize is, for my subscribers, is one if the stock goes down, right. Probably, if I had to guess, a bigger position than a lot of our subscribers. Which, you know, because we believe in what we're doing. Sometimes we'll be wrong just like everybody else out there. But, we have to realize when you see promotions out there that say this stocks going to go up 10 times, this stocks going to go up 3000%, think about that for a minute. Because that firm, and that person writing that, is not allowed to buy that stock based on those rules that they have in the industry in some places.

Now, think about that. If you really had a stock that's going to go up 10 times in six months would you give it to everybody else and not buy it for yourself? I mean, everybody does what's in the best interest of their family. But if it's going to go up 10 times why wouldn't you keep it yourself? Why are you telling everybody else, and then if this stock falls 80% they're not even in it and then … It's just the way it's set up now it's set up for everyone else to make money a lot of times and not the subscribers. It's very frustrating.

So, yeah, I think that's a big deal. I'm hoping that changes one day.

Marin Katusa: The other thing I was shocked with was there's a lot of gurus out there, and think about this, how can a guru write nine newsletters? So, do you really think this guy is writing all these newsletters? He's got a bunch of trolls in

the background writing these things, pumping this shit out, that have no skin in the game. It's all about meeting your deadline, meeting your numbers for the company upstairs. We could really get into this more but I have enough enemies as it is, Frank.

But I think people should really just picture … I guess the point is, is I don't care anymore about the peers. The industry's changed so much that the guerillas in the room with the bans on Facebook and the way they used to advertise. The industry is changing and it's evolving. It's coming back to the roots of, "Hey, I want to follow guys who build companies. Who finance these things and have real skin in the game." You can't fool people anymore. There's too much information out there.

Then there's also the rise of the blogs of people who hide under fake names and just attack people. Like, these are just dark twisted people who are paid by Shorts or have a secret agenda. Frank, I have a conference, it's the biggest one in the industry. I stand up in front of 8,000 people and tell them what I'm doing with my money. Whether I break even, make money or lose money I'm there. I'm standing there with my name in front of people. I'm not hiding behind some blog like a little troll or a weasel.

So, that's what you're seeing in the industry. So, people are starting to tune out all the noise and it's been an incredible financial move for myself and the following. I got to be honest, I was overwhelmed with how well I was received when I left on my own. So anyone out there who's working for the man or whatever in a bureaucratic bureaucracy that is just drowned by people upstairs, for in your gut you think you can do better plan it properly but follow your gut. Do what you love because you will succeed.

Frank Curzio: Yeah. No, that's great advice. Even if you don't succeed if you're really that good there's other competitors that are

going to hire you even if you don't. So I definitely think it's worth, even from my point of view, someone whose actually did that and you as well. You know, there is a lot of risk to it, it is a ton of work. You have no idea. I have a lot of respect for the publishers that I worked under now and how much work that they do and how many moving parts there are. But, definitely worth it that you could do your own thing and say whatever you want. Being truly independent, right, which is important in this industry.

So, great stuff there. I love getting your feelings on that because I know we're going to get some really good stuff. But I want to talk about the markets, okay. Gold stocks, silver stocks-

Marin Katusa: You're just riling me up to make more enemies for me. That's what you enjoy doing.

Frank Curzio: Oh, no, no. I love it. I love it. I actually, yeah I do know how to rile you up a little bit. So, I think we both do that for each other. But, when you're looking at these markets and, they know, I talk to you regularly on stocks, I know you've been pretty bearish on the markets. I've had some really good winners, and of course there's been lots of losers out there with the markets getting crushed.

What's your thoughts on, let's start with gold and silver then we'll go into uranium a little bit, which is getting pretty hot and price is moving higher. But what's your thoughts on gold and silver stocks? I mean, is it time to jump back in? Is 2019 a good year? Does the market sell off that we're seeing right now, especially with FANG name? I mean, is money going to rotate into cheap sectors? We're seeing it into safe sectors like utilities and consumer staples. But what about resources, is 2019 finally the year for these stocks?

Marin Katusa: So, I haven't change my thesis since late last year, early this year, when I published where I see the market going.

I saw in January and February, March I was emphasizing to people make sure you have lots of cash, US dollar is the place to be. The Canadian's in the industry and the gold bugs were thinking that I'd lost my mind. Well, that's played out really well.

Secondly I said they'll be a lot of downward pressure and I also stated that China would slow down. There's a lot of issues moving on between not just the trade wars but what is the Yuan, the currency of China, going to do? Well, to break that 7:1 ratio I believe it will and that'll really blow up the US dollar to the upside.

So that'll put even further pressure on the emerging markets because borrowing in US dollars, and all of the loans that are in US dollars will become even more expensive to sustain and maintain. So, the velocity of money will slow down and that's always bad for our markets.

So, the gold bugs always argue that US dollar is worthless, blah blah blah. Well, I'll tell you what, it may be worthless eventually but right now go to Moscow and see if they want Rubles or US dollars. Go to Turkey, go to Venezuela, go to Argentina. You go around the world and the US dollar's still the king of currencies. Even in China. So, for the time being whether it's the tallest midget or not I don't care it's the place to be.

Now, the gold bugs will say, "Well, no gold is money." Okay. When Puerto Rico happened was it US dollars or gold bars that people were trading to get gasoline and water? Now, I'm making even more enemies now as my gold bold market guys, but I'm not a believer in the GATA thing. What I'm trying to get at here with everyone is when the markets blow out and people flee to safety it's going to be the US dollar first. Everyone says, "Well, the gold should go up." Initially it doesn't. So I published a thing showing every major market crisis, gold actually goes down also.

Therefore the gold equities, the producers, the developers, the juniors they get washed out also. So, then as people kind of settle out and figure out and go, "Okay, where do I go?" Then they'll go to value. Gold's a good place for a store of value. Then they go down the food chain from the producers, developers to juniors.

So, I just published last month my Katusa's Paradox, which I think was probably the most important newsletter I've ever written. I really breakdown why I think we're into for more pain. Not just because we're around the quarter in tax laws. But, Frank, you look at how other currencies can depreciate their currency and what does that mean to the market. You start breaking down the different sectors, whether it's copper … And I'm a very big bull on copper in the long run, as I am with gold and silver. But that doesn't mean you're not going to endure incredible amounts of pain before you get there. Remember, there's a big difference between investing and speculating. Many of these junior resource companies that we talked about that the financial industry promotes, because you can make 20, 30 times your money on them. But you're not going to make it off of when everyone's feeling good.

Look, you and I and our subscribers all made over 10 times our money in Northern Dynasty but it was a difficult time. It was not an easy story to convince people to buy because it was contrarian. It was unpopular. It was unloved. Until you came to the site visit and saw for yourself the value and the potential you were probably negative on it also. Until you did the site visit, but you had the benefit of doing the site visit. So, that's why we do what we do.

Moving forward for 2019 I think we're going to see a lot of pressure on the downside still. Where I want to be, and where I'm positioning my subscribers and myself, is top tier world-class assets in non-AK47 nations, so I have a whole theory there and I'm an alligator. I'm an alligator

investor. I'm going to wait and be patient, but when time comes I'm going to do exactly what I did on Northern Dynasty where I became one of the largest shareholders. Then I'll just let my subscribers know what I'm doing and they get in at the same price, at the same time.

So, nothings really changed in my philosophy. There are a few commodities I'm getting very excited about because they're getting to the point of incredible pain and it's alligator time which means it's time for me to jump up and snap up these assets at 20 cents on the dollar.

Frank Curzio: Well let's get into one of those commodities because uranium is something that you've said you've been bearish on, I've read in the past that you've been bearish on. But now it seems like you're changing your tone a little bit. Again, I'm not putting words in your mouth. I think from what I'm reading, what I hear from you. But, you're looking at a market where prices … I mean, who would have thought, right, below $20 a pound. But now they're approaching $30 a pound. So you've seen the fundamentals change, supply come off the market, more demand, which is kind of the demand struggle we've always seen with Japan coming back online and stuff. Is this an industry that you like right now? How do you play it if you do like it, because there's a lot of … Not that many ways to play it, but even some of the stocks out there are not really that great I would say. What's your thoughts on uranium?

Marin Katusa: So, this is a perfect case study. When you asked the first question about the finance, the financial publication industry. So in 2013 I did a tour of every operating mine in North America. At the conclusion I said, "This stuff's going to go lower, here's why." My publisher, I guess my bosses at the time, went mental on me going, "Nobody wants to buy a newsletter where you're telling everyone to stay on the sidelines." I said, "But that's the right thing to do."

You see, again when I talk about the publishing business it's about selling newsletters. In that article I talked about underfeeding, I was the first person in the financial business to talk about what is underfeeding and how the Russians have an advantage to it. I talked about the tenge devaluation and how I expect them to devalue because even if uranium stayed at … At that time it was $40 and I said it would go lower. But let's say in the publication I said, "If they devalue their currency by 30 or 40% that's like them getting, now, $55/$65 uranium even through uranium stayed the same price. Because they are producing and they're devaluating currency of the Kazak's currency, the tenge.

I talked about how the Japanese reactors would be much, much slower to come online than all of the market pundits were saying because, remember I'm on the board of Copper Mountain and our joint venture partners are Mitsubishi so I spend a lot of time with some very powerful senior executives. Mitsubishi's the largest producer of copper in China, sorry in Japan, and I spend a lot of time in Japan and I got a real sense of not the North American view, or what the uranium view, or what the desired view of what they want to get their market. I actually got, like, no this things going to take way longer to come online.

So, I was pretty bearish and I said, "Look, if you're going to play stick with the best guys who can survive. Now we're at 2018. When I gave the keynote, I was invited to give the keynote at the world Nuclear Fuel's March in 2015. I stood up there and said, "This stuff's going to go lower. Here's why." The American's were just shocked by my view. They were like, "You're, what are you talking about." I said, "Look, it's all in my book. New York Times best seller." The Russian's pulled me aside and they loved it. They said, "Man, you're the only guy talking about this stuff. We totally agree with you."

So now in 2018 where are we? So many of these uranium companies now have a vanadium angle, and come on guys. That is the biggest load of crap in the market right now, okay. To get the mill properly set up, I remember I was on site in 2006 with Ron Hochstein when they were refurbishing and upgrading their actual circuit. It is so comp … That's that White Mesa Mill which is now owned by Energy Fuels. So, I was talking to Mark Chalmers about it, he joined the company in the last year or so. I was telling him stories way back in 2006 when I was there watching the liners and all of the up-site headaches that they've had. It's very difficult, so be careful about paying for this promotion aspect where guys are running around saying, "Look, we've got vanadium and uranium blah blah blah." Well, almost none of those projects will come into production. Trust me. A vanadium project you need metallurgy, you need big size, and you need to be clean. You can't have complicated metallurgy.

So where, and then I've seen so many of these AK-47 recycled projects. Areas that, I guess I've reached a point, Frank, that when I was younger I was willing to put on body armor to go to these well sites. The allure being, you know, a financial pirate in a way where you can fly around the world and go to these exotic places. There's something very alluring of that. What I've learned is, that's not how you make the big scores. If that's how you make a score in a bull market where everything's expensive so you have to go to places where nobody's competing. But when everything's cheap, I am going to go down to the US and the [inaudible 00:25:35] and when I can get world class assets for cheap.

So that's what I'm doing. I interviewed you for my webinar. You were one of my guests because I respect your opinion and you've seen it. You are one of the few guys that didn't laugh at me in 2013 and 2015 when I said this stuff is going to go lower. You're like, "Man, Marin knows this industry. Stick with the winners." You supported

me during that time. So I said, "Hey, Frank, come on my line." On the webinar I had some other interesting guests, like the former Secretary of Energy for the USA under George W. Bush, I interviewed him. All I'm telling people is, "Look, this is where the market was. This is where it is and this is where I believe where it's going. This is how you make money on it."

Then I decided to do something Frank, because I've reached that point where I really don't care about the publishing side of the business. I have no fantasy to create a giant publishing industry. I just, I'm a niche guy. I love the resources. I'm the first guy ever in the history of this business to publish which uranium stocks to stay away from and why. I'm going to give the brutal truth about these companies. What you hear when guys like me and you, or Rick [inaudible 00:26:51] get together and we talk uranium stories and stuff that you can't really say publicly, we'll guess what? I own my publishing company and I can say whatever the hell I want. I'm going to keep it respectful, but it's going to be true. That alone is going to be definitely worth your time for the webinar.

So, I enjoy doing things that no one's ever done before. That's what I … I got a big ego so I like of backfill my ego with things like that.

Frank Curzio: No you don't, what are you talking about? No.

Marin Katusa: You know, but I love what I do and just like I … I started the whole, you know, 14 years again when I was with Casey I started the get the subscribers in the financing's at the same price as these editors. Because when I was teaching calculous I was sitting at these conferences listening to Rick, and Doug, and these guys on stage talking about private placements and warrants and how come I can't get into that. So I eventually built a platform where investors can get in at the same price. I realized that it was a huge success. Now every financial publication's doing that.

So, why am I publishing … You know, so many people follow so many of these newsletter writers that are promoted by these publishing companies as guru's yet they wouldn't know the difference between yellow cake, or white angel cake. So, I look at this stuff and say, "Okay, I'm now going to bring up the 18 most promoted companies in the industry and tell you why I'm not buying them.

Frank Curzio: And when is this webinar going to take place? When are you doing is? And I really don't know, I'm not even trying to sell this right now. When are you doing it?

Marin Katusa: I enjoy doing … So I have a very, I guess maybe a reverse … I do the things exactly the opposite of all publishing companies. I believe that holidays are a time for a lot of stress for people. So I'm launching this on Thanksgiving and it's going to be a time where throughout my past I've always noticed that guys like me and you, family time is precious. There's no doubt about it. But I'd rather work than hang out with the in-laws. So, I think I'm like most people.

So, anyway.

Frank Curzio: Good luck with that with your wife. Yeah, good luck with that man. If you go on Thanksgiving and there's nothing there you're going to know why.

Marin Katusa: So, we're launching it on Thanksgiving. So, go to your website, you guys have the link. Or just go to the Katusa Research for the webinar. It's free and you're going to find out a lot of stuff that nobody's talking about.

Frank Curzio: Nah, that's cool stuff. We got a couple of minutes left here. I love getting thoughts on, you know because you're out there, you're at conferences and some of the things that you like. Even if there's things that you invest in, or you don't want to give anything away in your newsletters of course to people that pay, but is there anything out

there that you're seeing that's just incredibly attractive right now? Resource related or whatever. Because some of these stocks have gotten hit tremendously. Good management teams, good resource, good projects. Infrastructure already in place. Mine friendly districts and everything. Cash on the balance sheet. Yet these names are going down just as much as the crappy names in the industry. Is there anything that you've seen, maybe a couple names that look really attractive right now?

Marin Katusa: Oh, definitely. You know, I guess one can argue that the whole industry is getting beaten down to the point that … I always tell people to focus on what else can bring these deals lower. Look at the balance sheet. Liabilities in this industry only get worse, not better. It's going to become more expensive to borrow money. So there's companies right now that are trading with their peers that have no debt that pay a great dividend to have huge margins of over 35/45% on their operations. That's very sound, that are in politically stable parts of the world and actually make money. Most of these resource companies they don't make money. They never will make money. Remember, speculation is nothing more than an idea or a catalyst, but it's a burning match and the key to a speculation is can you hold onto it long enough before the fire burns your finger and you're forced to let go. So will that catalyst happen before the match burns out? That's the key to a speculation.

We're reaching a point right now where you can actually buy investments cheap according to Warren Buffet's value investor. You know, The Intelligent Investor Benjamin Graham lectured on … We're reaching that point now where you can buy incredible value and it's de-risked. It's not about if they get a permit this will happen. No, these are already operating and you can now see the free cashflow, the dividend. And they have no debt. So one that I, and I'll give one for a Thanksgiving treat to all you Americans.

I think Lucara is a hands down a no-brainer at these prices. When you look at just the asset, let's talk about the asset. So it's in a very stable part of the world. Incredible mining jurisdiction, long history. So that's good, that's a box checked off. So it's a non-AK-47. The deposit itself is one of the highest margin projects, meaning that per ore, per ton you move you make more money than any other project. That's a great check box. The balance sheet's incredible. There has no debt. They have lots of cash and they pay a 5% dividend, a little over 5% dividend. But here's what I really tell people to focus on. It's people. Because in a bad market with good people they'll even increase their value by taking over other companies that have a good project, but the management maybe put too much debt on or they did something wrong with the government in permitting. Or their operations aren't optimized. The management of this company are the largest shareholders. I am also one of the largest shareholder at a cost base higher than what it is in the market right now. So every one of your subscribers, or viewers, can get in cheaper than I did. But I'm going to keep buying because it's a value story.

Now, when you talk about management and people. The management and insiders own about 30% of the company. They make more money from the dividend than all of them make from their salary by a factor of multiple times. So that is a great sign where they're definitely focused on the cashflow because that dividend is much more important to them than the salary. How many companies can you say that about? None, right. That's just a fact.

So, it's a big company. It's almost a billion dollar market cap. But, you know, when you got insiders owning almost $300 million of the paper you want to focus on that type of company. Those are the type of stories that I'm putting my money in.

Frank Curzio: Definitely makes sense. Well, Marin good luck on your

webinar. Going to provide a link in a minute for everybody if they want to attend. Again, it's up to you guys. But, I really appreciate you coming on. You always tell it how it is. You speak from the heart and I think that's why you're one of the most listened to guests that I interview in podcasts, and I get the most positive reviews about. So I really appreciate you taking time to come on, bud.

Marin Katusa: Always a pleasure, Frank. Have a good holiday buddy.

Frank Curzio: Thanks man.

All right, guys. Great stuff from Marin. Always entertaining. Says what's on his mind. You got to love him. He's talking about the uranium webinar and I have a link for you. If you're going to get into it, use this link. It's katusaresearch.com/10Xwebinar. So 10-X webinar. That's katusaresearch.com/10Xwebinar if you're interested that will give you probably the biggest discount you'll see out of anybody. Because we're close friends, that's what we do for our subscribers. Again, no obligation if you want to go there, go there. If not, but I just … What I have my guys on if they do have things that they're selling or whatever, and guys that have made my subscribers in the past I always like helping them out and pitching their products and things like that. Again, no obligation but if you're willing to go there and check out his webinar on uranium, which again, great conversation there that we just had. It's katusaresearch.com/10Xwebinar.

Let me know what you thought about that interview. I love having Marin on. I love having a lot of these guys on. But, this podcast is about you not about me. I could put all different types of people on. All different types of analysts that'll give you stock picks. I can even have financial guru's, I could have … It hasn't been really good when I have the, yeah. I don't even know what you call them these days. There's like a billion of them. Just like these finan … You know, worry about your financials and

these financial coaches and stuff. That hasn't done well. I've gotten a lot of negatives. I mean, I don't know how many ways they could tell you to lower their debt and stuff like that. But, again, I say this a lot but I mean it. This podcast is about you, it's not about me. Let me know what you thought of that interview. Let me know what guests you'd like to have on. You could do that by emailing me at frank@curzioresearch.com. That's frank@curzioresearch.com.

So, guys I know this is investment podcasts. The market's extremely volatile, right. Lot of technical barriers being broken right now in individual stocks, which probably means a little further selling is likely. I don't see too much selling, or at least from these levels. The S&P was trading at 15 times forward earnings. Still have strong earnings growth. Super low interest rates.

We have two major catalysts, right, that we can control, potential catalysts. Which is a fed coming out and saying, "Okay, we're going to be a little less aggressive. Take a wait and see approach instead of just raising and saying, "No, the economy's great let's continue to raise."" Because we're seeing retailers, again that Target comment from the CEO saying it's one of the best environments he's seen till now three months later where you're warning that margins aren't going to be that great and you have high inventory levels. I mean, for you to misjudge the market that much, again I'm not picking on him but it could tell you that this environment's really changing and it's changing rapidly. Maybe the fed is not seeing that. So that would be a major catalyst they come out and say, "Hey, we're going to stop raising rates," if they say that. Whether you agree with it or not I'm telling you from an investment point of view it's going to be very good news.

Also, the tariffs. A positive outcome with China when it comes to tariff's, I think a deals going to be reached very shortly. I'm probably alone on an island about this, but I

was also telling you that tariffs are not going to be a big deal. Since February the markets hit new highs through September when all those stories and everybody worrying about it. I also told you a great way to play it, we had a promotion go out which didn't even do that well. Which is not surprising. I mean, it was basically like, "Hey, this is how China could really screw us where it hurts." And we were right on that. I mean, they basically raised the prices where it hurts and they cut production. Price went through the roof, and the stock in that promotion I recommended is up 40% since the end of September. I don't know if we have, if you could find other stock that's up 40% since then. Maybe you could when you do screens, but most of them are down tremendously because they had the massive sell off in October and stocks are still falling.

So, you know, people who took us up on that. Again, sometimes I'll promote things on this podcast. When I do it's a good idea because that's the first impression I'm going to give you. I'm not going to just hype up something and say, "Wow, this is great. You got to buy it." No, it's something I'm excited about that I want you to get in. That worked out well so far for our subscribers. That stocks doing very, very well.

So, anyway. We're talking about China with tariff's. I think a positive outcome where they're going to work out a deal because we're seeing that the US markets come down as well as China continues to get crushed here as we come down. So it just makes sense for any positive … Any deal would be positive. Those are two catalysts that we could almost control if we wanted to. So, the market's trading at cheap levels. I think the amount of stocks I'm seeing that are trading below 10 times earnings now, 11 times earnings, growing those earnings 15% plus with a strong dividend. I mean, [inaudible], a lot of this is due to technical's. I'm finding lots of ideas I'm going to recommend. We want to sell off stops, which it will because we've come down a lot. But, valuations come

into play and right now there's a lot of great companies. Not only are they great from a valuation perspective, but also from a growth perspective, that are down 20-30% off their highs. These companies actually reported good earnings and raised guidance. That's the market we're in. This is normal. This happens in bear markets. Everything gets dragged down. You're going to have a lot of new buying opportunities, you're going to see a lot of great ideas in my newsletters courtesy of Venture Opportunities, courtesy of Research Advisory. December and going into next year.

With that said, look I'm here for you. These are the times that make a difference for subscribers. When everyone's happy making money the markets going higher, nobody really cares everyone's your friend. But, you really find out who your true friends are, your loyal followers are, during when things aren't that good. When the market's coming down or in extreme times. That's when you find out who's real and who's not and who's there are you. That's why we've been able to build this career, and build this company over the past 25 years I've been in this business and really build this company over the last two years. We're there for subscribers, good times and bad times I'm here for you.

Again, I want this to be a quick podcast with a quick interview. But, there's a lot going on in the markets right now. I'm seeing a lot of nervousness, even from family members asking me, "Should I take my money out of the market?" So, again when I see that kind of sentiment and that's why I read a lot of my emails. Guys, when you send them into frank@curzioresearch.com it gives me a good indication of sentiment out there. Right now it is pretty weak. And heading into the holiday season that's not that good for retailers. But, there are catalysts out there. We are cheap. Be patient, you're going to find lots of new ideas. Especially once the dust settles.

To end this, I wish all you a happy Thanksgiving. Spend time with your family, have a few beers, watch football. Please don't talk politics. Just have fun. Especially with the family. Really cool. Just relax and I'll be here for you when you get back next week, and hopefully the market's settled and we have much better opportunities. Again, on Monday, Tuesday, Wednesday I'm going to come out with more ideas, more podcasts, more things for you guys. But for now, just relax, enjoy Thanksgiving. Enjoy it with the family and I'll see you guys in seven days. Take care.

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