Frank Curzio's FRANKLY SPEAKING

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 main street.

Frank Curzio: What's going with you. It's Friday December 14th and I'm Frank Curzio, host of the Frankly speaking Podcast we'll answer all your questions and markets [inaudible 00:00:22] sports, anything else you wanna throw at me. The greatest podcast [inaudible 00:00:28] some of your questions, you send me to my Wall Street unplugged podcast, which I host every Wednesday. Do you want any questions answered? You send me an email, uh, frank@curzioresearch.com. That's frank@curzioresearch.com. Be Sure to put, Frankly speaking in the headline and you never know! Your question may be the one I read on this podcast.

So it is Friday, It is late, [inaudible 00:00:51] this podcast one. I guess everyone's looking forward to the weekend. You close your eyes, you open them, the market's down 500. Lot of volatility out there, get a lot of questions I don't ... look, the markets are cheap. We're not going to have a recession. At least over the next year or two, the numbers look fantastic, see an amazing opportunity, especially if you're a long-term investor, by long-term I mean, over a year not like 20, 30, 40 years, but there is going to be a lot of volatility, a lot of risks out there. China, tariffs, you name it. Politicians, political risk, so everybody arguing the other day, Trump and Schumer, Nancy Pelosi.

Interest rates going high inverted yield curve, Keep going and going and going, but remember these risks, you'd like to see

them ‘cause they’re gonna provide opportunities for you. The market’s trading at 15 times forward earnings. Cheaper than it had been at the past five years. We are growing. Of course it’s slowing. We know it’s gonna slow, just grew by 25 percent, the highest margin in, think since FactSet. Everybody’s been keeping records on this year over year earnings. That is tax cuts just saw a big boom to the market and so the pullback should be expected, right? It’s been such a bull market but, we’ll get to that point where there’s so many really good opportunities. Large cap stocks, you don’t have to take a lot of risk on you, see a lot of these recommendations come out my newsletters, but I just wanted to address that upfront.

Today you’ve seen on the market, you think it’s gonna be “slow day Friday not too many companies reporting earnings” And next thing you know, can you blink your eyes you’re down 500. Who knows? I’m doing this at 3:00 PM. You should be getting in a couple of hours from now. Five, six PM. The last hour trading could be up. I don’t know. That’s the way the market’s been trading. I know it’s difficult. You’re seeing your positions go up and down. Twenty percent. You’re up a lot and you down a little bit. Just be patient so she have good positions, good stocks that report a decent earnings, they have growth, they’re cheap and gonna cover one of those stocks today to keep getting questions on, but just stay the course. Not Expensive. A lot of risk is really, really pressing into this market.

I think starting next year you’re going to see a really, really good market and a boom to this there’s a lot of opportunities that I’m looking to get into right now, that I’m seeing that if you’re a subscriber, you’re gonna see as well and CRA, CVO all of our newsletters. So just wanna address that up front, and now Let’s get to your questions.

Starting with Blaze. He says “hey Frank, I’ve been listening to you for a couple of years now. I’m a Lifetime subscriber to CRA,” Which is Curzio Research Advisory, “and I just subscribed to ASP,” Which is our All-star portfolio newsletter, “I have a lot of experience trading options and features on crude and the

SNP, but my brokerage account is pretty small, and I tend to trade more leverage than is wise. Measure portfolios is a new idea for me. I'm my mid-thirties and have some retirement accounts. Would really like to grow my personal brokerage account. Looking at the returns from CRA, it makes sense to have a consistency to position sizing, but how many positions should we budget for? It seems like 20 might be appropriate. Also, how do we mix in ASP?"

Again, it's also a portfolio newsletter "With MFT," Which is Money Full Trader, which he plans to buy in the future. He says "a proper allocation between CRA, ASP, MFT pick a file," those are Newsletters three of the five that we have, [inaudible 00:04:07] our allocation be 50, 30, 20 20 does that sound reasonable? What about sideline money? Maybe 10% of the size for blue moon opportunities. What do you recommend for balancing these? A couple of more risk of speculation because of those passive retirement accounts at one day look forward to adding Moneyflow Trader and later Curzio Venture Opportunities into the pot, when I hit accredited status." oh, I didn't even see this.

Oh! I didn't even see this, I wouldn't answer your email. It says "Go cowboys." Are you kidding me? It could beat the eagles for the second time. You're lucky blaze. If I would've saw that, I probably wouldn't answer this email man. Anyway, I'm just kidding. Cowboys are great. They have the recipe to win the super bowl as crazy as that sounds. I mean they got a great running game, great offensive line and their defense is playing awesome. Just that Price Scott cannot make the mistakes that he makes, I mean just, if he's Trent Dilfer, he'll win the Super bowl like the ravens did. Anyway, I won't go there, but they do look very very good and congrats because it's nice. I could say [inaudible 00:05:00] a Super next year. Getting to your question. It's a good question. I was gonna joke around and say, hey, I'll come over with this whole portfolio strategy. I tell you exactly what to own and so ...

But look it's in reality, right? I'm gonna talk to you about

reality. Because I always say, "you should own every one of the positions on our newsletter, it's easy for Curzio Research Advisory. That's true." I mean It uses like a balanced portfolio, large mid cap stocks. Uh, we were on fire at one point. I mean at the beginning it wasn't. Then we really did great and of course we're selling off along with the rest of the markets, but still in really good positions and I like where the portfolio is. Those are some really good names. When it comes to the All-star portfolio guys, that newsletter is one … I love it. I love that newsletter because it's unique. You're not gonna find it any place else in the rest of the industry. Everybody's value newsletters or their personal newsletters, investment strategies, options strategies, value, whatever, Income.

This newsletter, It's different. It's picked [Kagan 00:05:55] and stock pick from every one of my guests. Almost every one of my guests and those have CEOs on that I won't use that stock. But you're getting 40 to 50 new ideas. So it's weekly, right? So Wall Street unplugged interview, Mark professional every week. [inaudible 00:06:11] all the guys that you've seen on CNBC, you see out there. A lot of these guys come to the podcast and they love it. And because of you, we have a big following we love coming on. Get a lot of attention for it, they're able to tweet it, they see it everywhere. And it's really cool. Y I'm always humbled by it and I know it's a lot of just people listening in. We're not taking advantage of some of their opportunities and we have tight stops on these things.

So it's been a volatile market and we stopped out of some of these things for small losses, like a 15% stop, trailing stop we put in a lot of these. Again, we don't want to hold positions are down 70% just something that doesn't work out, but I wanna present more ideas. But with that newsletter, those ideas are all over the place. So it's not like, "hey, I'm subscribing to this newsletter that's going to have income situations where I should invest in all of them." you have shorts, you have small caps, large caps income crypto investments and it's all over the place. So that news has designed to put unique ideas in front of you. Ideas that I take advantage of and you not always gonna

hear those ideas through the interviews. You know, I talked to guys before after we talked different ideas. When you go to conference, we gonna meet up with them, gets a massive, massive network that I want include everybody in.

And I just realized that a lot of people would not take an advantage of some of this stuff and when I had these guys on a different time and they talk about their stock picks, I'm like, man, that thing's up like 80, 90%. I realized so many people listening didn't have it. So I said, let me create a portfolio for all these stock picks and new ideas. And that newsletter is designed to say, "Hey, I like this idea, this is awesome." And we have like a one, two page write up on it. It's pretty cool. But every week we come out with that, every single week is a new idea. Almost every single week. Probably like 45. If I had a guess, right. That's six, nine months into this product.

And I like it. Again, it's been whipsaw on back and forth, but it's just fantastic gonna put great ideas in front of you. But I wouldn't buy all those ideas because I'm not looking for … like there might be three guys that recommend three uranium companies in a row. I'm just putting things in front of you so it's not … I'm not putting things in front of you where it's a balanced portfolio Like Curzio Research Advisory is. CVO is similar. That's a newsletter that's unique. You do not have to be a credit investor and you can take full advantage of it basically. I mean if I had a guest in a two years, maybe three or four a year that I would have private placements to invest in, I could give you a 100 of them. Everybody's always looking to raise money, but I vet these deals and make sure that they're good for you. Right.

So I don't want just deals that I would be invested in or some of my [inaudible 00:08:36] depending, but you just … those ideas I'm gonna put in front of you are really really good ideas. Okay? but you don't have to be a credit investor for that. CVO, I love it, I mean it's really … I won't say it's my favorite newsletter, but it's something that I like because it's unique and I feel like there's no one that could do that, outside I'm

not being arrogant saying that. But it's funny unique ideas. You're not gonna find any place else. I love the fact that we're recommending stocks like Vietnam where we took profits at 100 130% was still up, whatever, 60 70% on it, a viper energy and then I'm seeing other people recommend this thing when it's up 80% for us already and they stopped out.

So for us, when our contacts … flying all over the world and finding these ideas, it's ideas you're not really going to see any place else. And a lot of those ideas which are cool, they get mentioned later on, you're like, "wow, I own that stock." And nobody really heard of it and yeah, I just, I take pride in that newsletter and it is an expensive newsletter, but there's not one person since I've been writing that newsletter that said, "it's not worth the money. Because it's worth every penny because of the real detailed research that you get in it and the unique, just different stocks you're not gonna see any place else. You're not gonna really get any place else. Very hard and you learn a lot more about my contacts, where I'm flying to where I'm going to Keller Copters trains, you name it, just to find the best ideas for you for this newsletter and it's just really cool.

With that Said, you're talking about portfolio positioning. It all depends. It depends on your age. CVO you would take on more risk in your thirties, right? Because you have more working power where … retiree doesn't have a lot of working power, so you don't want to be too aggressive. We have stops on these positions, so you don't have to worry about losing your entire investment. If I'm allocating 50 grand to this newsletter, you gonna lose 50 grand. It is designed to hit grand slams and when you hit grand slams, what are you doing? You're taking on extra risk. So in reality, this hasn't happened to us yet because we've been pretty good, but that's a newsletter where maybe the wind rate out of 10 stocks, you know you have 10 stocks you recommend maybe six go down, six, four, two.

Up a little bit. One could go up, double or triple the other one can go up five, 10 X times making up the money for everything else. That's how that newsletter designed to get that one, two,

three picks. But over the first two years we've done a good job. I think we have five companies now that are up over 100%. We've taken profits in a lot of them. One of them was up over 200% another one was over 307%. So we've been able to nail it. It is a bear ... was a bull market I don't wanna say "oh wow, I'm genius" or anything like that. But it's been good, it's risky. We did stop out of some names, but we limit our risk and let our winners ride. I didn't wanna take profits on a lot of those winners when they got over 100, 200% and that's what we've been doing.

So the answer to your question, 'cause I get this a lot is with CRA, I want you to own as many positions as possible. Usually those positions are good. They're solid companies that pay dividends. That's fine, that's cool. But overall it matters. It's about your risk, how much risk you wanna take. I mean I ... there was one time when there was a retiree, when I was managing money at FXE investors with my dad and I think it was 75 or 78 years old and we took his portfolio and put it all in really good conservative stuff, income generating things, bonds, and he was pissed at us. He's like, look, he's like, "I have all this money and I'm gonna die in less than 10 years." That's just what he said. "I'm gonna die in less than 10 years." I wanna double it, triple it, so look I don't want to die with all this money. I don't have anybody to give it to." And if I'll never forget that because I'm like, wow, like I ... for us, we were like, "no, we can't do that. Okay. First of all"

But it was just amazing how his mindset was. And that's him. Alright, you're supposed to diversify. You're supposed to buy a whole bunch of different ideas. You know why? there's not a billionaire that diversified. They will put all their eggs in one basket, worked out of a garage and worked out and they're a billionaire. So who am I to tell that you should have? It depends on you. My job is try to put as many ideas, share all the knowledge out there, teach you how to become better investors, where if you're reading our issues, it's not "buy this stock, here you go, here's the by up to price, here's our stop and you're gonna read 12 pages of research that you could use and apply to

other industries, other sectors, other stocks and just give you as many ideas as possible and that's what we're trying to do here.

And I know that we have subscribers to all of our products and it's impossible to own 70, 80 different stocks. But for CRA, Curzio Research Advisory, that's a newsletter I wanna watch on all the stocks. CVO, I'd like that to happen too. I guess I'd allocate for 20 for both of them, which is a lot, but when I really look at CVO, it's … I wish I knew what stocks would go higher because sometimes the stories are compelling. I mean, I just wrote about a story that is unbelievable. If you the video of this, you'd buy the stock immediately. You really would. I'm not even like exaggerating, it's just incredible something I believe that someday it's gonna be huge. And there's other stocks like Viper energy that had what I mentioned earlier, but it has a warranty structure, right? You're familiar with royalty companies. I'm sure I talked about royalty companies a lot, but it also had an MLP structure on top of that, which meant it has no risk drilling it's just on the land. It receive royalties from everybody else drilling. The land that they owned was in a prime real estate. The Permian Basin, which is … it's like Park Avenue, you can produce a $30, which is amazing.

I guess oil prices have come down, I get it, but they're still doing fantastic and then because the MLP structure, they have to pay out what is it, 90% of their total profits to everybody, that income to everybody. And it was just a unique situation, but I could see people reading and being "this is pretty cool, but it's not exciting as the recent pick." So some things are gonna be exciting, some things aren't.

So, I understand from an investor's point of view that you're gonna invest in something that is really exciting sometimes compared to something that's not, but I won't know which stocks gonna go higher, and I wish I did, I'd only give you one stock. So I want you to diversify as much as you can. I don't know if I could tell you what allocation 50, 30 slash 20. Again, that's up to you. You are young, you wanna take on a little bit more risk than the average person because you have working

power, you're going into your prime years of your earning power, which is your forties and fifties. So … but you also want to be smart. When I say take on risk, it doesn't mean buy a lottery ticket or use option strategies where it's all or none. It just means really good small caps and names that you'll find even in our newsletter, compared to buying some of the large caps that really don't move that much other than like the last three months. They all move like 20% a month. But … yeah, that's the way I would play it and that's me being dead honest with you because, you know, I could come on and say "you should buy every stock and every one of my portfolios." I wouldn't be a realist telling you that.

I know that's not gonna happen. So if you can buy as many positions as CRA, it's a good diversified portfolio. Try buy as many names and CVO as for our All-star portfolio, today's gotta be lots of situations that aren't appealing to people. People don't want to short stocks, they don't want to buy a cryptocurrencies. I mean, that's just two examples. It is large cap, small cap names that you heard of. You're gonna hit so many different ideas from the best analysts in the world and we sell that product for a dollar for the first two weeks.

I mean [inaudible 00:15:53] I'm just saying and the reason why is because it's an amazing product and after that I think it's 9.95 a month and use everybody that comes in for a dollar pays 9.95 a month because it just makes sense. But when you have something good, I just want to put out in front as many people because it just makes sense. You're getting ideas not just from one person, but 100 analysts and lots of new stock ideas which people love. I mean, pay a fortune for that. These guys sometimes get paid 30, 40,000 for their ideas. You getting that for 9.95 a month. It's a good product. Really quick, Blaze, I'm spending a lot of time on you. A lot of time on you. But thanks for subscribing so many of our products, money flow trader is totally different I mean [inaudible 00:16:32] has been doing amazing in this market, right? and so he uses conservative option strategies. It's not shorting stocks, but to bet against individual companies.

And lately obviously he's been on fire [inaudible 00:16:43] the market coming down but instead of generating, if you shorted the stock, which you take on enormous risk, right? Because if you short it you have a limited risk and go to 100, 500, 10,000, you limit the amount of money that you put into it. So if you're right and the stock goes down 30%, You're not getting 30% you gonna get three, four, five X that amount, because of these options strategies, there's a time value to it, obviously right? And you could lose your full investment. So you don't want to put 10 grand in each in these things, but it's worth putting a couple hundred here, a couple of hundred there. That's a different newsletter. But right now that newsletter is working incredibly.

It wasn't working as great when we launched it a year from now, 'cause the whole entire market was going up. Didn't matter if your stock was bad, it was going up. Now you're seeing a lot of separation. It's like shooting fish in a barrel for Mike 'cause he's one of the best short sellers in the world's working the hedge fund industry forever. But that's another letter where you wanna buy different situations and it's unique. So man, I just covered like everyone on my products for you, but hopefully that answers your question. So just buy as many positions as you can. CVO, CRA, All-star portfolio, you're not gonna be able to do that. It's going to be over 40, 45 positions a year that you're gonna see in that. It's just to put new ideas in front of you that you probably won't hear from the best minds on Wall Street that I interview, which is a really cool product. So hopefully that answers your question or your questions.

The next one is from Josh. He says, "great Colon apples. Stock is down close to 25% now," Actually down almost 30%, "seems like a lot of people are optimistic that the selloff is overdone. Plus they have 200 billion in cash to buy back stock. Is it time for us to get in? Thanks so much for all you do. So Well guys, really appreciate it." Thanks Josh. That means a lot. Look, I've been negative on apple and I try to say this because this is what I've learned. It's not personal. Okay. I'm using this podcast. I Love Apple. I think they're a great company.

I just thought they were overvalued. I didn't think the phone was that good from experience, and I bought this from my wife. My wife doesn't even like the phone. The percentage usually when your phone has a little percentage number on it. They don't have that. You have to swipe to get the percentage so you don't even know how much battery life you have. I love you. You know, people just like the percentage, just little things like that. We use the face ID. It doesn't always work. Work's probably 80% of the time it's just a pain when it doesn't work. Other than that, a little bit better camera, you're paying a fortune for something that's not really different. It's not something that all your friends are gonna be like, "Oh man, let me see that phone. Oh, you have that feature? Oh Man, I have to upgrade." And even the young kids asking "can I get the I … for the new I phone came out, can I get it has this feature, this isn't it …" There's no wow factor in it.

So looking at the analysts estimates, which is important, very very important. This is what your sentiment is what drives stocks guys. Sentiment. It's … Yes, it's fundamentals and you want to look at fundamental, but it's sentiment and right? the whole world Loved Apple. They were just buying! Buffalo was going on TV. Talk about how great Apple is, Well 180, 190 ,200 220 to 230 went up to I'm buying more, it's 160s right? It's in the 160s now. Everyone's lowering their estimates. So when I say this, it's not personal. Where I'm like, Oh, you know, I don't wanna and I've made the mistake in the past when sometimes you're right, you try to double down and be like, "oh yeah, I told you" No it's not that.

Because when you see people, it's almost like they're Polar bears out there, right? When they predict, "oh, the market's gonna come down like 20 percent." Well, you almost have that right now. They're like, "it's going to come down another 30 percent." Wait a minute, reevaluate your core, see where earnings are. See what's going on, because every stock, almost every stock is a buy at a certain price, so don't take it personally. I hate this. I hate Tesla's Club, well Tesla goes at 200. You should think differently. You call it, you were right.

It went down at 200 but reevaluate the situation and don't use personal feelings like, "Oh, I hate Elon Musk. I think he's a liar. I think it's gonna come down and now it's come down to 100." Your emotions take over and you almost doubled down and I've made that mistake before. I've seen … I see it all the time with some of the best analysts in the world because they just so focused on their idea that even when it comes to fruition, they like double down.

It's … guys can get 80% crash. If it crashed 80 percent, they're gonna say it's going to go down another 90 percent because it's just their personality. That means shit to investors. You wanna take those feelings and emotions out of it, so that's where I'm starting with Apple really quick. When I look at apple, it's not a buy it, don't buy it. It's down 30% I get it, but … and I'm looking at the fundamentals that I know, trading around 12 times earnings. 125 Billion a net cash. Generating 65 billion of free cash flow, just announced recently another $100 Billion are gonna buy back worth of stock, which they probably been doing all the way down.

They're probably going to increase that buyback, Likely raise the dividend, you know, I get it. The stock's down 30%. It's amazing. It has tons of cash. I get. I know. But the reason why I told you to avoid Facebook when they report a terrible quarter and it went to like two something 180, Where is it now? 130s. Is expectations. It's the reason why I recommend that IBM because the whole entire world hates it and every risk in it is priced in and they just … If they can make red hat work that stock's easily gonna double. You're looking at a company that only has like $100 Billion market, a little more than that. I mean you're looking at Microsoft. These guys have $800 Billion even after sell offs, $800 Billion market caps. Don't look at the trading at 1:25 or wherever and be "like it's gonna do …"

If they can get this done, they're gonna be the biggest player in cloud, one of the biggest players and it's amazing when you look at the numbers and everyone's accepted the deal it looks fantastic, but the sentiment is so bad on it, everything's really

priced in. When I look at Apple and I'm watching TV and seeing these ads, this overdone, this is overdone. Analysts are cutting estimates. You're right. Analysts are cutting revenue estimates, sales, they're cutting earnings estimates and they're cutting unit sales, which is amazing because Tim Cook said, "well, we're not going to report unit sales anymore." Which basically, yeah I say it's like a pizza place saying we are not gonna tell you how many pizzas we sale, right? it's 70% of their, almost 70%. And the revenue comes from the iPhones. Everybody talks about services. It's only 15% it's higher margin, I get it.

But when you look at Apple, the numbers are coming down. What does that mean? That's less people that are gonna buy the phone. Less service revenue. A lot of people are starting because they weren't happy with this phone. They were on those contracts every year, $25 [inaudible 00:23:15] just way automatically get the new phone. They're like, "why am I paying all this money to get the new phone? When It's not different From the latest phone? [inaudible 00:23:22] for me." A lot of people starting to cancel those contracts as well. Now, is that reflected in the price? that's we have to see.

Is it China tabs, all this stuff with China. All this news factored into Apple, right? Slower sales, is all factored in. Yes, the analysts following estimates, but I have a screen up right now which is cool and a lot of you guys probably don't have access to stuff like this. This is a little bit more high end research, but it tells you all the analyst and when I say analysts, it's sell side analyst, so the Goldman Sachs, the Morgan Stanley's JP Morgan as well as for whatever, all the big analysts out there. Right? So when you see the consensus estimate on TV, that's the consensus analysts of these estimates, of these guys and they take the average of everything that they say and here it is. This is what you see on TV. That's important for you to know because if you think that those estimates are wrong and either way that's based on how you're going to trade the stock.

So when they're cutting sales estimates they're cutting earnings estimates, they're cutting unit sales estimates, there's 42 of

these guys. Forty two analysts sell side analysts. Yes. There's that many of them. 42 of them. You know how many have a sell rating on Apple? by the way, Apple is down 30%, 20% from its highs. Zero! there's not one of those analysts have a sell rating on the stock, which is … blows me away. Same thing happened to Facebook when they reported those bad numbers and those are bad numbers that they reported two quarters ago. They were bad and at changing their business model, right? to focus and not use all those ads and get … if you use Facebook for advertising, which we do, there's extra process, extra steps that are kind of like ticking people off. I get it and why they doing that, for extra security measures I get it. But it disrupts their business model.

You know how many analysts downgrade the sock? like one or two out of the 45 they were covering it, everybody else had by rating still. I'm like man, nobody believes … I mean the expectations were so sky high, nobody's really lowering their estimates. Where is it now? It's come down a ton. So what apple 42 analysts covering 42. How many downgrades did you see? One or two, maybe? three tops? but none of them downgraded to sell. Pretty disappointing when a stock falls, the biggest [inaudible 00:25:34] offer was 30% and nobody got it right? Nobody, but it's common. It's normal. They wanna be on one side. They're incentive is to have a strong relationship with Apple, 'cause Apple does a ton of Investment banking business, people talk about their cash, they also have $100 Billion bonds, stuff like that. You wanna get that investment banking business, It's a lot of money. They're not idiots. That's the way it is. I don't care. It's on a conspiracy theory. It's a fact.

Why don't you talk bad about the greatest company in the world? when they could do a lot of business with you and make your year if they choose you to help them out and sell whatever they're Selling. The bonds, but more important, when I look at this and this is why I'm telling you not to buy apple right now, I don't think it's as screaming sell from here. I just think you could be patient because despite all those cuts that we've seen, the average target price on the stock from these analysts

is 220 bucks after these cuts. Is trading in the 160s. That's 30% higher than the current price. 30%. That doesn't sound like expectations are low. It doesn't sound like an IBM situation where everybody hates the stock. That's when you wanna buy it because you're gonna get it dirt cheap. 'Cause it just has to go from terrible to less terrible and you're gonna get 20, 30% gains after [inaudible 00:26:50] turn the business around, if apple's able to come out with a couple of quarters saying, "hey, this is working for us, our services going through the roof. We're seeing higher margin products. This is what we're doing right now. We'll get our Apple TVs through the roof."

That's great. That's what you wanna see. But right now, there's still very high expectations. Yes. They're being cut but … estimates are being cut by 5%, 10% here for you to … sales a little bit on revenue, but you're looking at a company, when you look at the financials, I mean still their earnings are expected to grow from 11.90 to $13.23 next year, 14.56 the following year, so that's more than 10% earnings per share growth. I think that's relatively high and it might not be that high because the company's gonna buy back a crap load of its stock. I get it, but what scares me is let's go deeper into the financials here. Okay? Things that people aren't talking about. Because when you're looking at earnings per share, which is big measure, everybody is gonna look at, let's look at sales.

If you look at sales over the next two years, to only expect the growth 5%, the market is expected to grow over 7%. Ebitda, right? Stripping out everything, earnings before interest, taxes, depreciation and amortization. Pure number, only expecting 3% Ebitda growth year over year, over the next two years much, much less than the overall market. So why does this company demand a 15 times multiple instead of a 12 times multiple? When it's growing so than the overall market. Something to think about. I'm not telling you, again, not tell you to short the stock here. Don't short the stock here. What I'm saying is I think you can get it cheaper, amount all in the stock. I don't hate Apple. I think it's a great company, again. Doing this podcast through Apple iTunes. I have a lot of their products. I

have their phones. My wife has their phones. I love em.

This is about the investment. This is about your money. It's because you like a certain thing. I always bring up the snickers example. It's 'cause you like to eat a snickers bar [inaudible 00:28:49] you gotta pay 20 bucks for it. But when I look at Apple, it worries me that these analysts are still super optimistic, despite cutting those estimates. I mean you're expecting average. The average target price on the stock is 220, 30% higher. When you're seeing it's an iPhone company, that's where they generate their revenue and that one product is coming down tremendously. Maybe they slow … maybe it's not as bad as it says, but let's wait till the quarter. I'll miss the five, seven percent move higher, but at least it'll be a good base. But I can tell you what one thing that I think changes the entire landscape of this thing which you should buy right away, is I really believe Apple should buy Netflix right now.

Netflix is expensive. I know you might think that's crazy, but Netflix is the king of media. They are the king of media. What they don't have is a ton a ton of cash. They have what? 12 billion, which is like Apple reaching a pocket and say, here you go, right? Twelve billion. If they're gonna pay for content, but look at their content. they're releasing actual movies now, alongside in the movie theaters, you have some of the best actors, maybe not some of the best actors.

I'm not gonna say, of the best actors but, he's one of the … draws tons of people, it makes a ton of money. Chris Rock, when you're looking at the actors and all going to Netflix platform, that's the way it is. You Watch regular TV. It's horrible. Commercials everywhere. They even have commercials as the TV shows are going on. It's terrible. They losing money. They're getting crushed cable companies as well, but Netflix is the king. But apple just propels itself as the number one media company on the planet. You know how much you can cross sell everything that they own through that? That makes so much sense to me. It's insane.

You look at the Oscars, was it a 140 something that got nominated for and then there was like 120 and everything else was like 30, 25 like CBS, ABC. I mean it's incredible, but I ... if you're a Netflix, you love Bingeing, you love sitting there watching like three, four, five episodes in a row. It's awesome. The content is awesome. It's great. They've got great writers, they got great everything. That makes more sense to me than anything. That would be a game changer, I would do it now. They have the cash to do it. They can take on debt pretty easily, but that's gonna be a growth bum, Plus look how much Netflix has come down. You're gonna get 30, 35% discount and you're gonna have to pay up a little bit for it. But man, if you do that, the cable companies? good luck.

You wanna see how scared they get. That's the only thing that's holding Netflix back. They have to pay a ton for content, but it's working and they're doing great. People love the brand and subscriber growth It's kind of slowing a little bit because it's gonna slow down eventually, right? You can't get every person in the world to subscribe to yourself, but now that content is great. People are gonna pay up. They will have pricing power now, which they didn't have a while ago and just factoring it in, the Synergies with Apple. Man! it'd be awesome. That'd be incredible. But Apple Loves being their own independent thing and they don't like to share too much or whatever and let's see what happens. But getting back to your question, when it comes to apple, no one's gonna give you the details that I gave. I'm not saying that as an arrogant thing. I'm just saying that people come on TV and say, "well, Apple's oversold." No, it's not oversold, if you're telling me that the analysts have a 220 average target price on the stock and there's no sell ratings on it, you can't tell me that that sentiment is low on the stock. It's not. It's still very optimistic. People still love apple. They were buying at one 190, 180, 170, buying 160 on the selloff.

Just wait and be patient. Let's see what the next quarter brings. Hopefully Tim Cook will be a little bit more upfront and transparent about iPhone unit sales. We all know they're crashing. Just tell us. Let's know where they're at. It'd be pretty

cool. But there should be no surprise to anyone who bought the new iPhone because they give it away. What if you buy one, you can get another one. You get a $700 credit. If you switch different services, they give me an iPhone for free, Apple never did that. They don't give their phones away for free. They're not used to do this. Starting with the 8. They never had to.

But it's a lot different company. Six, seven years ago when it's one phone every two years and then came one phone every year. Now it's three, four phones are shoved down your throat, because they're iPhone company. In the end, they're a hardware company, they're selling hardware and their device is not in high demand. It's not exciting and it's not too much better than the previous version from the year before. It's hard to sell somebody on something every single year and come up with something revolutionary every single year. Apple's done an amazing job with that, but it's catching up to them. So just wait, don't buy here, it's probably going to come down even more and I wanna see these analysts assessments. I'd love to see a couple of sale ratings on it saying it's gonna go down at 1:50, 1:40, that's when it's gonna be a good opportunity to buy, so I think you can get it much cheaper.

Our last question here is from Dave says, "frank, as a longtime committed, appreciative follow of your work and paid up lifetime member to most of Curzio research publications. I'm wondering if there would be some kind of discount for your paid up members in regards to your security token offering. If not, it would mean that existing paid up subscribers would have to pay the same as brand new subscribers that would get in to the civil service. [inaudible 00:34:12] possible for any consideration given to this many thanks." Dave. This is something well ahead of you, so remember for our security token, which we're gonna launch, which we're gonna bring in money to expand our business, hire a lot of great people out there. Some of those guys who listen to the Podcast. I want to be able to listen to you and say, guys, what kind of products do you wanna see and use my network to put those products in front of you? Right? Listen to the customers, listen to what you guys want. You want

education. What do you want a creating like just, you know, amazing educational platform, for amateurs all up to experts and have a lot of the contacts and a lot of people I interview, yeah. They'll post on that.

Yeah why will they post? one because they're good friends. I've had them on the podcast, I've never asked [inaudible 00:34:56] from them, they get a lot of publicity here and plus it'll be able to put their company name there and it's all in networks, all connecting and in the end it's all for the subscribers and the people, right? To educate you to become better investors. So we're doing it through a security token offering, which I'm really excited to do and it's gonna offer a direct equity stake for the first time in this business history.

So you're not just buying somebody's newsletter, right? Where the newsletter company makes a fortune. It's … you're getting behind the newsletter company and you have an equity stake. Because I know a lot of you don't know this, but our business is one of most scalable, highest margin businesses in the world. I mean, I cover all industries. It's amazing, right? So it's just if you have good ideas and you're able to scale it, it doesn't cost a lot to scale. It's very simple just scaling through scaling it. So it's a matter of getting a password to a subscription and having … getting more access to these newsletters, increasing your marketing to get more subscribers on board. So that's where we're at now, where it's gonna accelerate our process of becoming a major financial [inaudible 00:35:56] by five years, at least. Now we're offering an equity stake again, first time ever. It's gonna pay an annual dividend, which I get that to three years.

And we're going to offer everybody that comes in a membership to all our products and all our products in the future. And again, this is available to credit investors. I'd like to offer it to everybody. This is the way you have to do it. After a year and a token goes alive, you're gonna be able to trade It, hopefully it will be on some exchange. [inaudible 00:36:26] negotiating depending on how this thing goes. [inaudible 00:36:29] very

excited about. So what Dave is asking and saying, Hey, you know what? I already own a lot of these products. So what does that mean, compared to someone else that comes in. And for us, we're gonna offer a discount to every one of the subscribers that have a lifetime to any of our products. So if you decide to come in on this offering you're gonna get a special discount. Okay? Which is really cool.

So not only you're gonna get 25 and it's for the … to have access to all of our products guys. If you're in the newsletter industry or if you have a membership with any one of our competitors, that membership alone to have all access to all products, all the products going forward is between 20 and $40,000 by itself. You're gonna get that for free. So … and that with no maintenance fee. No fee and a lot of … usually charge a fee 'cause it costs a lot to produce these products over time, right? So … and that's what a lot of our competitors … you getting that for free. Know that you're getting the equity stake and you're getting the dividends. But I understand that for our best clients who own a lot of the lifetime subscriptions of ours, it's not fair for you guys where … okay, "we're gonna come in without somebody else and they gonna get the same thing that we own."

So we're gonna offer a special, looks like it's gonna be around a 10% discount. So you're gonna get 10% more tokens, which is something that's really special and cool and something I wanna offer you. And I could tell you this guys, there's a lot of risk. I don't know what's gonna happen going forward. I'm really, really excited. I have over 15 people and companies that reached out to me that are in similar position that want to learn more about this and want to launch their own STOs. So we're gonna be able to get into a lot of these STOs early on through our newsletter, our crypto newsletter, which is pretty cool. And again, that product's gonna be given to you for free.

So I'm a big believer in this and these are good companies, guys that are generating revenue in the same boat. That wanna have … offer a good year for their subscribers in order to grow their

company. So they're not starting from scratch on a cocktail paper Napkin saying, "here's my idea. I wanna raise money." With that said in the first week, we're gonna do, because I've been talking to a lot of institutional investors about this. I've been talking to a lot of context about this. I don't know if they're gonna invest. Let's just say that they're really excited. I've been told they're going to invest and demands pretty strong, which, again, it might not be. It's different when it actually comes down to the terms.

But what I want to do is for the first week is create just for our investors and everyone that's listening to this podcast and people who follow me, because remember, it's a certain amount that we're going to raise, right? So, there's a soft cap and a hard cap and the cap's going to be around 10, 12 million softs are going to be 2 million. Once you reach the 10 million or 12 million we're deciding on how much we're gonna raise, then that's it. The offerings done. So we can have one person come in and take that. Or we could have up to 2000 based on the Reg D filing.

So what I want to do for individual investors or people are seriously coming in is the first week. I'm not gonna open up to any institutions for the first week, you're gonna get that discount, If you're a lifetime member attending our services, you're not gonna get a better deal. One place, not even close, doesn't mean you're gonna make money on this, doesn't mean that we're gonna have the same business conditions and everybody else, we want to be able to grow this business. We know how to do it. We've been in it for a long time. We have a team of over 100 years of experience.

There's still a ton of risk, but for people who are serious about getting this deal, this is what we want to do for you. We want to get it in because it's about the investors it's about you and I'm going to do that before we go to institutions to the point where if we raise all the money in the first week, then the institutions aren't even gonna get in. we're not gonna raise that offering, Say, "Oh, let's." Because we're giving away equity. We don't

want to give away more equity in that. So that's what we're doing. We're getting the details ready. It's probably going to be launched in mid-January, but Dave, just to answer your question, yes.

Everybody that has a lifetime membership who comes into this is going to get a 10% discount and that's gonna be available in the first week and we'll let everybody know. It's not for everybody. I'm not selling this thing if you don't want it, you don't want it, but we're getting a lot of demand in and we're up to hundreds of emails people saying that they want in, they love the idea and we're gonna send you the white paper, the investor deck, we're gonna send everything. We do everything by the book. We just hired amazing lawyers on Wall Street who've been fantastic for us. We're gonna partner with Secularized, one of the best in the industry when it comes to building your platform, create a token for you, creating all of the compliance documents, everything for you and everything is really coming together.

Which has required a lot of work, but I'm excited about it. But yes, Dave, gonna answer your question, that first week is gonna be open to investors and anyone has a lifetime subscription. Yes, we're going to take care of you. Of course we are, because we were ahead of you. We knew that, it makes sense that since you're paying a few thousand dollars away for a lifetime membership, know why shouldn't you get a better deal than someone who hasn't. But you're gonna see all the terms and all the deal, it's going to be really, really cool and we want to take care of everybody that does come in. So I'll give you more details on that. I didn't want to get too much into it, but I just had explained a little bit for people who maybe listen to us for the first time that we're launching a Curzio Equity Owners, which simple CEO, security token in mid-January and that's going to give you a direct equity stake in our business so you can participate in our growth, which is really really cool.

It's not just buying a newsletter and buying these stocks where a lot of these editors aren't allowed to buy their positions and

take stakes, but you can be down 70, 80% of positions, you know what? the newsletter companies always gonna get paid, at least as we grow, you grow. you'll have an equity stake in the business and it's gonna be directly tied to that token, which is going to have. It's a holding company have an equity stake in our business. So really, really excited and going to send our terms out to everybody's interested in. If you're interested, feel free to email me at frank@curzioresearch.com because we just create a really cool cycle token tracker. It's gonna give you all the news, all the updates that we see that we hear over the security token market because you're gonna. Be Amazed at some of the stuff going on.

The company's investing in this industry and how big this thing is really, really gonna be. And that's what I really believe in. So If you're interested in that, frank@curzioresearch.com. Man! try to keep these things at 20 minutes. I think that Apple thing kind of got me, but you know, listen, I wanna share as much research as possible and how I feel about apple and then just wait on that stock. You can get a better opportunity by a little cheaper because everyone I see on TV that comes on, it's just optimistic saying you should buy it for the past month basically and it's [inaudible 00:42:27] 50%, and estimate cuts there's still a lot of optimism in the stock and I think that target price has to come down. I would like to see some more sell ratings before jumping in to Apple. So guys, that's it for me. As always, thanks so much for listening. Really appreciate it. Have a great weekend. I'll see you guys in seven days. Take care.

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