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 on out there? It's Friday, December 21st. I'm Frank Curzio, host of the Frankly Speaking podcast, where I answer all of your questions in markets, stocks, [inaudible 00:00:24] sports, anything else you want to throw at me. I created this podcast to answer some of your questions that you would send me through my Wall Street Unplugged podcast, which I host every Wednesday. If you want any questions answered, just send me an email at 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. Man, December's such a rough month. You're busy, crazy, trying to get everything done. My whole staff is off next week, which means you have to do twice the work this week. Right?

Frank Curzio: We have newsletters that go out every single week, so we want to make sure that get subscribers, everything's done on time, ahead of time. But man, holy cow. Winding down, getting close to the holidays. And Happy Holidays to all of you and your family. And let's get to some of your questions. The first one is from James. It says, "Frank, I'm a lifetime member to Curzio Research Advisory. I'm a millennial and a big fan." Thank you very much. "You help me become a better investor? And I've also learned to go the extra mile when it comes to researching stocks before I buy them. My questions … " I love when people say questions. "I'm getting married next month. You have any advice on marriage since you always playfully talk about your wife on the podcast? And more important, we want to start saving for a home and also put money towards retirement. I've never participated in my 401K, but should that be priority now since one day we do want to start a family? Thanks again for all you do."

Frank Curzio: It's funny because you said more important. And you went into your 401K question. I think more important would be the marriage thing. We could start there. You asked me any advice, if you haven't done it yet, don't get married. Walk away as fast as possible. No, I'm just teasing. Any advice, I don't know if I'm the right person to give you advice. But I could tell you marriage is awesome. I mean, it's a great thing. It's always a grind. It's tough. It's not a big deal until, I think, you have kids. When you have kids, then they become priority. Right? And sometimes you forget about each other. I see that with a lot of couples. And it happened to my wife and me. We made it really a priority to say, "Hey. We've got to step back a little bit and enjoy ourselves, and go away a little bit." I'm going to the consumer electronics show and she's coming the last two days, so we'll hang out together.

Frank Curzio: But when you have kids, it really is difficult. It's how you raise your kids. You're going to have differences of opinion. It doesn't matter how much you love each other, no matter how much you get along, you do get on each other's nerves and things like that. But when you look at the big picture, especially today, they make is so easy to get a divorce. Right? It's like a joke, you've just got to sign a piece of paper today. In fact, Dan who's … I guess years ago, decades ago, it was much more difficult. You hear that all the time. My parents stayed together for 30, 35 years. Now everybody gets divorced. I got divorced once. It was quick. It was amicable. It was something that we decided not to do. We didn't have any kids, and it was easy. But my brother got divorced. My sister got divorced. A lot of my friends got divorced. It's easy to do now. It really is.

Frank Curzio: And as you get older, I guess you get more pickier. And a lot of those people are single. They don't really date too much, especially as they hit their late 30s and 40s. But if you're looking at marriage, there's two things I could suggest. One is make sure you've got a comfortable couch because you will be sleeping on it sometimes. I'd have to say, most of the time I deserve to be sleeping on the couch. And about 15%, I had no idea why I was sleeping on that couch, I have to admit. But I slept on the couch and it was fine. And make sure you get a big TV. This way it's not so much of a punishment that you're kind of like, you almost want to get in trouble.

Frank Curzio: Another thing is about compromise. I mean, yeah, my wife is cool. She knows I love to watch sports and football on Sunday. And for that, I'll do chores, or I'll help her out, or I'll try to watch the kid. Very hands on with our kids, even though I work a ton. But it's good because I'm five minutes from my office. It's a small town where the school is five minutes away. Everything's within five minutes of each other, which is really great. But a lot of it's compromise. And when you take a step back and look at it, I kind of feel bad for people who maybe aren't married, and that could be by choice, and they're happy and don't have kids and things like that because from my point of view is, yeah, you want someone next to you to share all the experiences with. And as you get older, it's nice to have that, that you can look back and look at your kids, your grandkids, and everything that you've accomplished. If you don't have that to share with anyone, I don't know, again, it's not for everybody. And some people love doing their own thing.

Frank Curzio: But it is a grind. It is hard. I tell everybody that because it's the truth. A lot of my friends shouldn't have got married when they got married. I mean, they were still doing their thing and going out and going crazy. And you just have to be ready for it. If you're ready for it, it's going to work. But just compromise. Things are going to seem incredibly stupid to her, but they're very, very important. And things are incredibly important to you that seem stupid to her. But if it's important to her, then let her do it. Then say, "Hey, no problem, I understand." Guys will look at flowers like, wow, okay. I'm going to buy these things, spend money, and they're going to die in a couple days. But buying flowers is kind of like, I would say, I wouldn't say sex to a guy, but it's kind of close. Not to get too personal there, but again, it's about compromise. It's about listening. But it is difficult. And end of the day, it's really cool to just come home with someone and share experiences and things like that.

Frank Curzio: And man, I really got into that question there for you. Huh? I always say ask me anything you want, but wow. That was kind of like a little bit curve ball there. Anyway, let's get to your 401K question before I get in trouble. I think I answered that pretty well though. 401Ks, if you're not familiar with it, you contribute 17,000 to your 401K, which is tax deductible. And it's really nice if your employer matches, that's why I think everyone ... 401Ks are really good. They're not perfect. They're not great. But it really is good. It's something where you'll look at it, especially if you start in your 20s into early 30s, or when you're 40, 45, you'll just look at it. And you're going to see a couple hundred thousand dollars in there out of nowhere because it's just money constantly flowing in. And it is nice if your employer could match any of it, which most don't anymore. But they can match up to 6%.

Frank Curzio: And you're eventually going to have to pay taxes on that money, but it's deferred to retirement when you're retired. You're not working and you're not in your prime years making a ton of money and your tax rate is so high, so that's the point of it. The negatives is you can't withdraw money without a penalty. Early withdraw, it's something like taxation up to 20% and then another 10% penalty if you withdraw before 59 and a half. You must withdraw the money once you hit a certain age. I think it's 74 and a half now. I'm not even too sure about that. But again, you guys can look up the stats because it's probably everywhere. I can't believe I got a lot of this stuff of my head over here. I still remember all this.

Frank Curzio: But you also have IRAs, which is not a company sponsored plan, so you can invest in individual stocks instead of basically the plan of the mutual funds offered from your company in that 401K plan, which is pretty cool. So much easier for you to allocate to different sector stocks, get in and out, compared to a 401K. A Roth IRA is also an individual plan. A Roth is different from an IRA, where you could basically invest at post tax dollars, and then you go tax free, and offer tax free withdrawals after the age of 59 and a half. And that's great news if you have a really good looking, amazing guy giving you advice in a newsletter. Not going to mention any names there, that you may listen to on a really popular podcast that makes you money and stuff like that, which is cool, even though I don't think anyone's making any money over the past couple of months with this market. But a Roth is pretty cool. You can only invest five K in an IRA. And a Roth, every single year, as opposed to, I think I said earlier, $17,000 for a 401K.

Frank Curzio: And also, you're going to get penalized for early withdrawals with basically all these plans. My advice is definitely 401K, get that started. Start saving. Hey, it's going to cost a lot of money, not just buying a house, an apartment, and going through that experience. Kids, man, holy cow, money pits. Money pits. Make sure you get those tax deductions. Very, very important on every kid, that's the most important thing about kids. I'm just kidding. I love my daughters more than anything. But start saving. That's the biggest thing. Make sure you're together. You're on the same page. But also, if you can give you advice on anything here, is make sure you spend a little money. Make sure you have fun. People want to save so much that they don't do anything sometimes. Make sure you're going on vacation once a year with your family. That's what matters.

Frank Curzio: For me, at the end of the day, I always look at it. If I walked out in the middle of the street and I got hit by a car, would I be happy with my life? And the answer to that is definitely yes. I traveled the world, started my own business. I have a family. I've made so many different mistakes in life that I've learned from. For me, I never want to leave anything on the table. And I see a lot of young people these days, where they just work so hard and they work like crazy, and they save every dollar. And they don't do anything. If that person got hit by a car, it's going to be like, wow, man. I definitely should've did things differently. So make sure you take a step back, be irresponsible. Get drunk. Throw up. It's perfectly fine. We all need a break sometimes. Have a vice. You need a vice just to get away from everything. It's perfectly fine. We all have them. I don't care who you are. But enjoy it. It's cool. And congratulations. And don't let your wife listen to my advice.

Frank Curzio: Moving on. And we have a question from Luke. Luke says, "Hey, Frank. You really nailed it with the intro on the latest Wall Street Unplugged. As a retail investor, it's hard to find commentary articles that provide context to current market conditions right now." And Luke is talking about my intro for Wall Street Unplugged where I broke down and said it's not fundamentally based. I know all you guys have seen your stocks go down. You can't believe, down 30%. You have to see the names that are down 30%, guys. I mean, it is just mind bogging when you're seeing really great companies. You're talking about Apple. You're talking about Nvidia. You're talking about FedEx, Caterpillar. I mean, the list goes on and on of so many great names. Heinz, Kraft, Heinz. I looked at a list. It was like 40 companies, I couldn't believe, down 30% year to date. It just blew my mind how many companies were. Just industry leaders, which is going to provide opportunities. And you're just watching and looking and saying, "What the hell's going on?" The fundamentals look great.

Frank Curzio: Listen. It's market conditions. It's selling off. It's algorithms. Everything's connected now, guys, in case you don't know it. There's no such thing as diversification in the stock market. Exxon is not diversified from Microsoft, no way. They're all connected. You want proof, look at the top funds. The top funds, you're looking at VanEck. You're looking at BlackRock. You're looking at Vanguard. BlackRock, Vanguard, just look at the top five. They're the top five holder in just about any single large cap stock. That's how big they are, trillions and trillions of assets these guys have, just have nowhere to put it.

Frank Curzio: When you're seeing redemptions and everything coming, they're selling everything. There's so much passive investing. You have retail ETFs, where Amazon was accounting for 35%. And it's just crazy how everything's interconnected now, which it used to not be that way. But it is now. And that's why you're seeing everything come down. And sure, some things are coming down more than others. But it is pretty crazy. Definitely listen to Wall Street Unplugged. It really covered a lot of stuff that I think will be beneficial to you. And Luke goes on and says, "Hey. I've been thinking about the trade issues between the US and China fairly closely. I'm curious if you could expand on what you think the trade war and possible outcomes. Thanks for the podcast."

Frank Curzio: I spoke about this broadly. I think I was one of the only people. I hate saying that because it sounds like I'm patting myself on the back. I'm not. But I think a lot of people were worried about trade wars, February, March. I said, "Don't worry. It's not going to impact us." I really thought China would be like, "Hey, all right. Enough," and figure it out. And all the way through September, I was right where stocks went a lot higher. And then I realized, okay, China's really going to play hardball. Talked to a lot of great sources, interviewed a lot of great people who have ties in China. And said, "They really don't care about it." They care, they don't care about their market collapsing where the market was collapsed 25% from February to September, where US markets hit all-time highs.

Frank Curzio: But when I look at the trade wars, especially September, October, they were playing hardball. And they continue to play hardball. But you're seeing them roll back a lot because they have to. China has no choice. They have to roll back. And this isn't political. I don't want to hear people say, "Well, Frank. You're getting into China and the US, bullies." Whatever it is. They're stealing our intellectual property. This is about stocks, about investing, that's what I'm talking about. You're looking at China. They're going into a depression. It's not recession. I mean, it's a recession of manufacturing, a recession of housing. Consumer spending, lowest levels in 15 years, in 15 years. I mean, they're not going to be able to sustain anymore. Their market continues to collapse. And if we fall, they're going to fall even further. Behind closed doors, you're going to see things fix, I think over the next three months, first quarter. You're already seeing it where they lowered their tariffs on autos and stuff like that.

Frank Curzio: And you're not going to see anything crazy because it's not beneficial now. And I don't think China can really play hardball. And now that the US is coming down, and we saw the fed come out where, I don't know what Powell was doing, it was just such a bad, bad call. I think at the end of the day, he was dovish, but it came over as him being just more hawkish. I had people expecting that we wouldn't see rate hikes in 2019. We'll get a rate hike now, which we did. In 2019, they'll take a wait and see approach. And he's like, "Nope. We're going to get at least two." That was kind of like the headline. But I could see them rolling back. More important, if you're looking at that as a whole, you're going to see basically a tightening end next year. That's what you're going to see. With the market conditions, yes, it would be nice to end now. But probably within the first six months, you'll see it end. And I think that will lead to better market conditions. But that call was really terrible. It made me want sell stocks, up 350, I think, on Wednesday and finished down 350, 400, something like that. So it was pretty crazy.

Frank Curzio: But getting back to China. I think this is going to be resolved. This isn't going to be a 2019 issue. Maybe in the first quarter, but you're seeing China roll back a lot and cut back a lot, especially with auto tariffs. I think we're going to work through things behind closed doors. And we're both going to admit that nobody really … Both of us got the benefit of the doubt, or whatever, and brag about it. But behind closed doors, they'll figure things out. There's a million things we could do for each other, where China could say, "Okay. We're going to work with you with tariffs," and we get it. And that will happen.

Frank Curzio: It's just with the US coming down now, it makes sense with China really getting destroyed. Holy cow, the numbers just … They're looking for 6% GDP. I think that's optimistic. It was supposed to be 7% next year, now it went down to 6%. [inaudible 00:16:20] growing 12%. Anybody remember that? 11% didn't even seem too long ago when I traveled to China. I think 2010, 2011. Growth was going to slow on a percentage basis. Right? It just had to happen as China gets bigger. But man, I didn't think it would be this crazy.

Frank Curzio: Anyway, hopefully that answers your questions. I don't think this is going to be a risk that's on the table after March, April, May. I think it's going to be a short-term story. And we'll see what happens with interest rates, which is another big negative on the markets because we were expecting no more rate hikes in 2019. And Powell had basically said, "Hey, we're definitely going to have two more." And I don't know if we're going to have two more. It all depends on market conditions, where inflation is, and they'll monitor it daily. But I think it's also pretty cool where Trump and Kramer and all these big influences are going out there and yelling. And the fed didn't blink. It's kind of cool when you think about it, even though it's frustrating. I know you had [inaudible 00:17:15] come out and say that the fed's no longer supporting stocks. Yes, we have interest rates going higher, where you could provide better returns, even in risk free assets than buying those dividends. Remember, that really was a big deal with the stock market, 2010, 2011, 2012, 2013, as retirees could not generate interest at all on anything.

Frank Curzio: Hey, let me go in and buy consumer staples, utilities, I'll get those dividends. And plus, you were getting 15%, 20% returns on stocks. Well, now those returns, those days are over. And I could see money coming out of the market if it hasn't come out already, to go into conservative places that now are offering, I wouldn't say competitive interest rates, but much better interest rates than a year, especially three years ago. Now moving on here, we have one more question. And it is from Joe. It says, "Frank, I know you've been bullish on banks this year, and most are down sharply over the past few months. Are you still bullish?"

Frank Curzio: For me, I was really bullish on banks midyear, horrible timing. Banks passed the stress test, almost every single one, outside Deutsche Bank. And buy backs, dividend increases, once you pass the stress test, that was it. It was basically … And guys, if you're not familiar with stress tests, it's pretty crazy. I mean, if you look at a stress test, they have to have enough capital on their books to withstand, listen to this, these four things. This is a fact, a 60% plus drop in the stock market, a 30% plus drop in home prices, a 10% unemployment rate, and a 5% decline in GDP. Put that in perspective. Today, with the markets coming down, the stock market S & P 500 is down just 7% for the year. Remember, they have to have enough capital to withstand a 60% drop in the stock market. The average home price, a 30% plus drop in home prices, that's what the banks have to withstand.

Frank Curzio: The average home price is actually up year over year, 5%, 6%. Current unemployment rate, got to be able to withstand a 10% unemployment rate. We're at what? 3 point whatever, near record low levels. And the GDP grow 3.5% last quarter, and maybe that slows next year to 2%. But again, much, much better than the 5% decline in gross domestic products. If you're looking at the banks on a whole, I think people are worried. What you need to know is the chance of a banking crisis or a credit crisis are pretty close to zero. When you have that much capital withstand those conditions, and I broke down the numbers and you look at it, it's crazy. The banks are more capitalized. Their balance sheets are stronger today than any time since the US was founded, since our country was founded, hundreds and hundreds of years.

Frank Curzio: Doesn't mean banks can't come down. What happened of the past six months, especially over the past three, four months? The whole market started falling. And then when you look at banks specifically, because I just named a whole bunch of stocks that were down 30%, if you look at banks, Goldman Sachs is down 40%, which is incredible. JP Morgan down a little bit less. City Group's down about, in the past six months, this is a stock I recommended, so it fell about 15%. But then it fell at 50%

alongside the market, and it fell another 6%, 7%. Why? Because we saw, especially in November, where yield curve mattered. Right? I mean, you're looking at a flattening yield curve. Now people say, "What does that mean, a flattening yield curve?" It's basically a fancy way of saying short-term interest rates and long-term interest rates are trading at the same level.

Frank Curzio: Normally, long-term rates are going to trade higher than short-term rates. And the difference between the two is called the spread. And banks make money by borrowing in that spread where, borrow cash at short-term rates, and then lend them out at long-term rates. And that's how they generate their profits, which is called net interest margin. In other words, with the yield curve flattening, and yes, it went inverted a little bit, and people will jump and say, "It's going to be a recession tomorrow." Just don't worry about it. But anyway, when you see a yield curve flattening, it means banks are going to generate less money in future quarters because that spread is narrowing. So that's why the banks sold off even more than the overall markets.

Frank Curzio: Now to put that in perspective. The banks are trading at levels that are, to say they're incredible cheap is just mind boggling. You're looking at names. Let's take City Group. And I'm going to give this one away. I know we're down on it a little bit in Curzio Research Advisory. You're looking at City Group in particular. When I recommended it, it was trading at nine times [inaudible 00:21:54]. It's trading at seven times forward earnings right now. That's a 53% discount to the overall market. It's trading at a 15% discount to its tangible book value, tangible. Basically, if City sold all of its hard assets, property, plans, cash, everything that they're supposed to have, if they sold everything, they would have 15% more than where its current market cap is. That's tangible book value. You're not talking about good will or wherever anything could be. No. This is hard assets. Right? It's tangible book value.

Frank Curzio: You're looking at a company that's growing earnings by more than 10% faster than the overall market, at least that's what projected going forward. It's currently paying a 3.2% yield, more than 50% higher than the average company S & P 500. If you're looking from an analyst point of view, which I cover this a lot when it comes to sentiment, there's 29 [inaudible 00:22:47] analysts covering City Group. That average target price from these analysts are 82. Again, not that you believe them or not. But $82. The stock is trading at 5250 today. So you're looking at over 50% higher than the current price.

Frank Curzio: More important than that, the eight analysts of those 29, eight analysts have a hold or are celebrating on it. Not one of them have a target below where the stock's currently trading. In fact, the lowest target price on the stock is 59. This is would be the lowest target price. If you think about it, and it's funny the way you put this, but it means even the analyst that hates City Group the most, that hates them the absolute most, believes this stock is worth 12% more than the current price. That's how crazy banks are trading right now. But it gets even better because if you look at fundamentals, and the market's coming down, I've been telling you for the last couple weeks. It's not fundamentally based, so you can look at bunch of companies. City Group was cheap 10% ago. Take Two, I thought was cheap 10% ago based on its growth. These stocks are falling along with the market, so it's not fundamentally based.

Frank Curzio: But what I really like with the banks is when you pass a stress test, they're allowed to buy back tons of their stock. And they're allowed to increase their dividends significantly. In the case of City Group, they're going to return $22 billion to shareholders over the next 12 months. I don't just throw numbers out there just to throw numbers out there. I'm going to put it in perspective for you because that $22 billion includes more than $17 billion in buybacks and over $4 billion in dividend increases. More important, City Group plans on returning over $60 billion to shareholders over the next three years. If management holds true to that forecast, what does it mean? It means that City Group's going to buy 30% of its market cap back. Guys, that's incredible.

Frank Curzio: Now to understand this, if you have a company that is trading … I don't want to get too many numbers and throw them out there. But if you're trading at $10 a share, you have 10 million shares outstanding, it placed a valuation of $100 million. It's $10 share price times 10 million shares. Let's say the company generates 10 million net income. What does that amount to? A dollar and share in earnings. You have 10 million net income divided by 10 million shares outstanding. Again, if I'm losing you with the numbers, listen to this a couple of times. I'm going to get to my point. If you look at those numbers, that stock would be trading at 10 times earnings because it's trading at $10 stock prices and a dollar earning per share.

Frank Curzio: Now say your company says it's going to buy 30% of its market cap back over the next three years. It's going to reduce its share count. I said there was 10 million. Now it's only going to be seven million shares outstanding. In three years, let's just say this company doesn't generate any more income. Their income stays exactly the same at 10 million. Let's also say the stock price stays the same at $10. Follow along because I'm going to tell you, even if you're not following along, I'm going to bring it all together for you. I promise. Based on the lower share count, because they only have seven million shares outstanding after the buyback, not 10 million. The earnings, that I told you they were a dollar a share, are going to increase to $1.43 a share because now it's 10 million net income. And it's not divided by 10 million, which is 10 million shares, which is a dollar. It's divided by seven million shares outstanding because they bought back three million shares.

Frank Curzio: There's a lot of numbers there. If you want, go back and listen to it. And if it sounds confusing, I get it. But here's what you need to know. By buying back 30% of the shares outstanding, talking about City Group, or even the company I just mentioned, fake company. Here's a company that's going to increase its earnings by 43% over three years. And this growth will take place without that company generating one extra dollar in net income. That's what buybacks do. You're lowering your share count and you're going to see earnings explode higher.

We're not talking about they're already generating money. City Group's going to generate more than $17 billion in net income annually for the next three years. We're not even talking about that. Strictly from buybacks, you're going to see a massive increase in earnings if they stick to buying 20 billion plus, or giving back 20 billion to shareholders, which is going to be dividends. But most of that's going to be buybacks, and they even said 17 billion plus this year in buybacks, and that's 10% of the market cap this year.

Frank Curzio: Over the next three years, could be 30% of the market cap. You're going to see earnings grow incredibly regardless of market conditions, regardless of market conditions. Yes, market conditions could deteriorate. Yes, you could have an inverted yield curve, which means less profits for these guys. But they're still going to generate huge earnings growth based on the buyback. And now you're sitting there with a company that's paying a 3.2% yield. They're going to continue to add to that, so you're looking at 3.2%, maybe 3.5%, depending on what the stock's going to be. You can sit back and wait while City Group launches its biggest shareholder buyback plan over its 100-year history over the next three years. That's where we are with banks.

Frank Curzio: You could say, "Well, what about interest rates?" It's weird because you think higher interest rates should be good with banks, but it depends. Right? It depends on the spread. And that's what happened recently. And now people are worried about, well, we're going to get two more rate hikes. But if you look back at history, and you look back at tightening cycles that have taken place over the last 20 years, it's kind of weird because towards the end of a tightening cycle, banks significantly outperform the markets. And we're pretty close. We're about six months away. I don't think we're going to continue to raise … Raising them for three years now. Went from three to two. But I can't see them going crazy, three to two, and then three, I can't see that three in 2020. We're close to the end of that tightening cycle.

Frank Curzio: If you're looking at banks right now and taking a fresh look, my timing was off. I deserve to get beat up for that. That's my fault, I didn't know the whole market was going to collapse. The whole market didn't collapse, we'd probably be down about 7%, 9% on the position. Instead, we're down a little bit more on that, along with the market because everything has been crashing. But if you're looking at it, this isn't just about fundamentals. Right? This is about a company buying back 30% of its market cap. Their balance sheet is the strongest it's been in history. City Group's not the only one. JP Morgan, Bank of America, Wells Fargo, they're all in the same boat. Record buybacks, record increase in dividend. And these guys are flushed with cash that they're not allowed to lend out because they have to keep enough money in the balance sheet basically to withstand conditions that all those conditions never happen in the history of our country. That's how crazy it is.

Frank Curzio: For me, yes, banks are good. I'm doubling down. They're great investments. I was wrong recently. But I am doubling down even with my own personal money. I am aggressively buying the banks. And I'll revisit the situation again in three to six months, just like I revisit this, and I revisit all my situations because I am going to be wrong sometimes. And I like covering my losers more than winners because that's how we learn. Even though I should be covering my winners a lot more often since I don't want you to think I only have losers, which I don't. There's 25 years, I've been right more time than I'm wrong. But anyway, I think you guys get the point.

Frank Curzio: That's it for me. I want to wish all of you Happy Holidays to you, your family. Thank you so much for supporting this podcast. Guys, January's going to be the biggest month of my career in this business. We're launching our STO. Everything seems on plan. We got all the numbers fixed. You're going to be hearing about it a lot. We're looking to raise money to make a difference in this industry because the industry I've been in basically my whole life, I'm not happy the way the industry is right now. I'm not happy where I see shareholder returns. I'm not happy when I'm seeing the content out there. I'm not happy how it's all about revenue for the editors and how much money that the publishers are going to be making, how much money that they're paying people to help them sell things. And what gets lost is individual investors.

Frank Curzio: For me, I really want to grow this business. We're looking to raise money. It's going to be a lot of fun. We're doing it a unique way that's shareholder friendly. It's going to beneficial to you, compared to just doing a traditional prior placement, we're launching a security token first in this industry. Almost everyone I've talked to about this personally, close contacts, great analysts, by the time they get it, it takes a few hours because it took me a couple months, they're fascinated by it. So many of them coming to me, looking to launch security tokens. They're waiting for me first because it's a new industry, which is wise. But we're using the best people in the industry, like Securitize. We're using great lawyers who are on Wall Street. I'm doing everything by the book. It's going to offer a 3% yield to you annually for the first three years. You're going to have equity stake in my business. Think about that.

Frank Curzio: Imagine having equity stake where you're not just buying a newsletter from someone, who most of those guys can't buy the positions in their newsletters. But now you're actually buying the company. And you're going to be an equity owner [inaudible 00:32:21] their research through this token. Really exciting stuff, and also, for all members, just give you a quick preview before I go here. Everyone's been asking me. Frank, do you have a whole package membership, where it's a whole alliance type thing, or chairman club? These memberships go from 20,000 to 40,000 from our competitors, where they offer all the products, and every product they offer in their future.

Frank Curzio: And now that we have five products, and going to launch more products next year after, and we're growing, what we're going to do is, anybody that does come into this offer, and it's available to credit investors only, we have to make it to credit investors because it's a security token, and that's the laws that we have to do, which means you've got to be locked up for a year. But you're going to get all of our products for free and everything we offer for free going forward with no maintenance fee. That's how much we want to take care of you because that's how much we believe in this deal. And it's very shareholder friendly. There is risk, of course, new market, new everything. But just expect to hear a lot from it through January into February. Very excited. Been working, man, just as hard as everybody else out there. Everybody works hard. I can't say just me.

Frank Curzio: But I'm really excited. Everything's coming together. And it's really cool. I'm looking forward to it. And looking to really grow this business and change this industry to make it more friendly for guys like you, just individual investors, because right now, it really isn't. And it needs to be changed. And we're going to lead the charge, so I'm really excited. Anyway guys, again, I want to wish all of you Happy Holidays to your family. Going to be off next week, and my staff off next week. But of course, I'm going to provide you with special podcasts, as always. So thanks so much for listening. Happy Holidays. I'll see you guys in 14 days. Take care.

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