

# 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 mainstream.

Frank Curzio: How's it going out there? It's Friday, March 1st. I'm Frank Curzio, host of the Frankly Speaking Podcast where I answer all of your questions.

Frank Curzio: The market, stocks, college sports. Anything else you want to throw at me. I created this podcast to answer more of your questions that you were sending me through my Wall Street Unplugged Podcast which I host every Wednesday. So you want any questions answered just send me an email at [frank@curzioresearch.com](mailto:frank@curzioresearch.com). That's [frank@curzioresearch.com](mailto:frank@curzioresearch.com). Be sure to put Frankly Speaking in the headline. You never know, your question may be the one I read on this podcast.

Frank Curzio: Well, lots of questions coming in. As you know I've been ... It's been really crazy with the STO launch. It's been fantastic, Curzio Equity Owners. Hit our soft cap in the first eight days, and I focused a lot of attention on that because we were looking to build the company. But, like I said on Wednesday I want to focus on the markets and get to everything. Lots of questions outside of our security token. That's what I'm focused on. I'm going to take a couple extra questions today and I want to start with the first from Chris.

Frank Curzio: He says, "Yo, Frank. As another successful Patriot season has come to a close," I should just stop reading the email and go to the next question after that. Right there I should just go to the next question. But I won't. Because he does

say, “Sorry about your birds, buddy.” He goes, “I filled my first football free Sunday of the year with learning about options. I’m starting off slow doing some online training about calls and eventually plan on signing up for Alkin’s service once I’m comfortable on knowledge of puts.” That’s a good idea, Alkin’s one of the best out there. Love his newsletter. Just, always teaching investors how to make money on stocks. Individual stocks that go down on a safe way where you’re not shorting and you have an unlimited risk. Nothing but positive comments that we’re getting from his newsletter subscribers. Also his podcasts. So, very, very good idea. Because it’s not just ... Well, because Money Flow Trader Service where ... It’s not just ideas. He’s teaching you exactly how to invest. Going through every step of the process. It’s really a good newsletter, guys, I think you’ll be happy.

Frank Curzio: So, he says, “I started buying some cheap call option contracts just to get my feet wet. When I got this month’s CRA pick,” which is Curzio Research Advisory. “I started wondering about your thoughts of using call options for your recommendations. Without giving away the pick I could buy one option that expires in January of next year for about \$300 per contract. The break-even point is just a little over your buy up to price. Seems to me it’s an easy way to get the shares locked in now if I don’t have the full funds to start building a full position. Am I on the right track, or am I sounding like a total,” and I won’t say the word. He goes, “Thanks again, Chris.” And he also says, “Since I know you love multiple questions, when it comes to the Eagles, Foles or Wentz?”

Frank Curzio: Starting with the Eagles I think they made a mistake getting rid of Foles. That may sound surprising, I know Wentz has all the talent in the world. I just saw a team that was, I mean, talent wise listen you have the same talent, right, of course you can get better or worse during the year. They played much harder when Foles came in. It seem so the team believed in him. You’re talking about a Super Bowl winner that beat the greatest franchises ever, one of the few to do it in the Super Bowl. Played fantastic, he’s been on that stage before. Let’s see how Wentz

does. I mean, for me I would have kept Foles. I know you say, “Well, Wentz is younger and he has a good arm.” But, I could tell you from before he was hurt this year before Foles came in and made that run he’s just staying in the pocket too long. He was taking too many sacks. He was making too many mistakes.

Frank Curzio: He does have an amazing arm, that might be due to the injury before with his leg and his knee. But, I don’t know. We’ll see. I mean, it’s a good choice to have, but you’re getting rid of a Super Bowl winner who that team, like, will die for and play harder than ever for, which I couldn’t believe was a totally different team when Foles came in. Again, he didn’t even lose that game it was dropped by a pass. They probably would have scored against the Saints, and who knows where that would have taken them. Because they already beat the Rams a couple weeks before, and having the confidence of playing the Patriots again, I tell you, I think they would have done a hell of lot better job than the Rams did in that Super Bowl. But we’ll see, hopefully I’m wrong on that.

Frank Curzio: Now, getting to your question on options. Look, our Curzio Research Advisory Newsletter is a low-price newsletter. We focus on mid-caps, large caps, really cool situations. It’s up to you how you want to trade these situations. I’m not going to comment on you using options. I know for me I hate putting a time value on anything. I hate limiting your profits. I hate limiting the up side. My job, my strengths are looking at companies, seeing where they’re trading and knowing that they’re mispriced based on the catalyst coming six to 18 months from now. They may come six months, they may come later. But if they do come after that 12 months period, then hey.

Frank Curzio: Just, with options in general. I mean, you know, you’re using a strategy where you could be dead right in the long-term, but wrong and lose all of your money because of a timing issue. I mean, even on the other side put service where some of these it companies could come down and you be right and say, “Well, this company ... Say Tesla for example, and you believe Tesla’s going to go to zero, just saying. You know, whatever, I don’t

care about the opinion, whatever. But, maybe you're betting against that over a year timeframe and, you know, look what happens to Tesla. It's held up pretty well. Yes it's coming down. We know the tweets are coming out from Elon Musk. We know how crazy the guy is. But he is brilliant, I don't think even the Bears would disagree what he's able to create and what he's done with two companies, including Space X.

Frank Curzio: But, say Tesla does well over the year, over a full year. You wind up losing your whole investment, and then after that the thing comes down. I mean, it's a bad example because you'd be shorting the stock and whatever. But I think you get my point here. It's up to you, and my job is to present good information, good ideas in front of you and that's what we try to do with all of our products. And, you know, if you feel like trading options for it, that's fine, that's okay. But, for us, asking my thoughts about it I wouldn't recommend it. Especially in this newsletter. We have Mike Alkin who does a great job with options, option specialist.

Frank Curzio: When it comes to CRA I'd rather you just take a position, manage it, be smart about it and hold a lot of these things. Because sometimes, I mean we have positions in an [inaudible 00:06:38] over a year and a half that have done pretty well. The performance, I think, is pretty well. People agree with that. We've had some losers early on that we managed our risk in them. We took some loses. But most the stocks in there are doing pretty well right now, and pretty much in almost all of our newsletters across the board, which we're happy about. You know, we weathered the storm, we were very smart, we limited our risks during the market pull back in Q4. But when it comes to this newsletter I'd rather people follow the rules, follow my advice, and please try to follow it because the one thing I hate ... And I told everyone, you know, listen, we're good this whole CEO token. If we want to build this company. I'm so grateful, but I'm not going to be easy on you if you're making mistakes. Because, I care about you. When people care about you they're going to tell you the truth.

Frank Curzio: So, even with this newsletter another thing that I hear is, and we're going to cover that question later on. But if you're still holding onto a stock after we stopped out of it and you're down even more, you know that's frustrating to me. If you can try to limit your risk. We're going to have lots of ideas. I travel a lot, I get lots of ideas. When I get these ideas, guys, it's not like I get them like, "Wow, this is great." I fully vet them and most of them I'm really not crazy about, but I'm not crazy about where they're trading.

Frank Curzio: For me, I'm always monitoring these stocks. I'm monitoring different ideas. Even guys that I have on the podcast. Sometimes we'll have a bad quarter, and I'll see these things pull back 30-40%, 20% whatever. Then I'll remember and I'll call that person back and say, "Hey, what do you think about the stock? What's going on?" Sometimes you get in this things at fantastic prices, but due to our network we're always going to present lots of ideas for you and put them in front of you. So, you don't want to put all your eggs in one basket. You don't want to get crushed under 80-90% position. If you do make sure it's a very tiny percent of your overall portfolio. But for us we always have stops on our positions as well.

Frank Curzio: But, getting back to the options part, Chris, listen. That's awesome. Keep learning. The only way you're going to learn is putting a little money in it. Don't ever create, like, a model portfolio. No, you're not going to care if things go up or down. You have to put money behind it. That's how you're going to learn. Just put a small amount as your learning options. Remember, the options, no matter how smart you get and what level you get to there's people that are brilliant that are just going to love taking your money. So be very, very careful. Do it on a small scale for a long time. Try not to get aggressive, especially if you're just starting. The worst thing that happens to investors when they first start is they make a lot of money. Because then they think they're invincible. They think they're great. Then they up how much they're going to spend on each position and they wind up getting destroyed and then they hate the markets, they hate them. What was I thinking about? Be

smart, follow the rules if you can. Make sure you're limiting your losses.

Frank Curzio: If you have winners, you're going to have losers. We all have them, just be smart and make sure that you know what you're doing. It's a learning experience with options. You're putting money behind it, which is a little bit of money which is great. But just be very, very careful because that market is really crazy, and there are brilliant people just looking to take your money when it comes to options. So hopefully that answers your question Chris.

Frank Curzio: Let's move on to Douglas. He's titled this old recommendations you stopped out of, ever revisit? He says, "Frank, love your three newsletters. I subscribe to Curzio Research Advisory, All-Star Portfolio, and Crypto Intelligence." He goes, "You once recommended Diebold," that's what it's called Debold, not Diebold. "Then gave up or/stopped out of it. Did you ever revisit old stocks you once recommended and got out of, or do you typically follow your stops learn and move on? You always seem to be making moves now with new management and direction. All the best."

Frank Curzio: It's a good question. I revisit a lot of these. I mean, for those of you just been in Curzio Research the past two years, I mean, look some of the ones that we stopped out of we haven't really got into. But if you followed my career over the last 10 years we jumped in and out of some situations several times. Some winners, some losers. So, yeah, for Diebold this is why it's important to follow your stops. Because this is something that I didn't think would fall the far. It was one of the biggest, longest running dividend payers. So increased their annual dividend, it was consecutive 59 years. More than any company on the New York Stock Exchange. Think about that. McDonald's, Proctor and Gamble. This is Diebold, this is ... Their history goes back ... Elliot Ness was the CEO of this company. They decided to do a big acquisition and they're in a market where they're seeing tons of demand, don't think ATMs. Who's going to use ATMs? It's all the software, the cloud services behind it. All these banks

need to upgrade. But with tax reforms, tariffs they just ... they were supposed to upgrade over the past two years, they didn't. Revenue declined, and then they came close to triggering some of their debt covenants and the stock absolutely crashed.

Frank Curzio: We were out of it before that, we took a loss on it. But if fell, I mean, you're looking at a stock that once traded 40, then it was ... Looked like a screaming buy in the 30s, actually, in the 20s. The stock looked like it could have gone out of business and went to, like, two and change. Now, if you look at it right now, they weathered the storm. I have followed it. I noticed that Gabelli has gotten on the call. Which, one of my subscribers notified me and I looked through it and you're seeing some interest there. But, that's stock went from two and change to about 859. You say, "Wow, what a move." But, a lot of people thought it was cheap at 12, 10, eight and then it went down to two and a half. But, now that they weathered the storm it is a good company, they reported better than expected revenues.

Frank Curzio: There are basically two people in this whole entire industry, like two competitors really, and they almost went out of business. But now they weathered the storm, new management team, they had a pretty good quarter. They're generating revenue. Looks like they're going to be break even on cashflow. Still have a lot of headwinds there guys. You may see them do a pretty big financing here. Just to be on the safe side because they got in trouble last time and their stock has moved up tremendously. You know, when you have positive momentum and it's \$9 maybe they do a big offering at 7.40-8. You know, which is going to dilute the covenant shareholders. Then you're going to see maybe a 10-15% move downward in the stock if I were to guess if they do raise money. I would guess, I don't know.

Frank Curzio: But, I do revisit situations. Everything's on the table. It's not that I, you know it's a lesson and I move on. I covered this on Wednesday podcast, guys. If you get a chance listen to that educational segment. I spent a lot of time on it, and it's going to identify with every single one of you. Just mistakes I've made in the past where, you know, Diebold lost this money but I'm

not going to look at it and say, “Well, lost us money that’s it.” No, at a certain price it could be attractive again. For me there is still all to of risk coming down through to the single digits and for me I stayed away from it. But it doesn’t mean I wasn’t revisit it when the fundamentals get better.

Frank Curzio: So, you may say, “Well, Frank, it was \$3 or \$4.” You know, it could be more expensive at \$4 than it is at \$10 if their fundamentals improve. Who’s you have less risk buying it. I know that sounds funny, because you’re like, “Well, if I bought it at three or four ... “ If you bought this thing at 2.50 you were risking you’re full investment.

Frank Curzio: It was close to going under this company. They didn’t, they weathered the storm and it popped back up. I’d like to see another quarter or two to see if they base out maybe it goes up a little higher from here, but I’d rather do that and look at this company, then actually jump in. So, it’s nice that they weathered the storm, it’s nice that their stocks are going higher, but I do revisit situations if I think that there’s tremendous opportunity to them.

Frank Curzio: With this one I avoided their covidence things like that, we never want to risk our entire capital and it looks like, again, I keep using the term, weather the storm, by they have. Let’s see if that continues and who knows, maybe they will make their way back into the portfolio, maybe it doesn’t, but everything is on the table, every receptor, every stock, everything. If I think the price is right and everybody can make money on it, I’m going to recommend it.

Frank Curzio: There’s nothing I stay away from, especially stocks that people hate. Because I always say, “Hate where it’s trading. Hate it because the stocks trading at 50 bucks, but it does look attractive at 25.” Don’t just say, “Wow. I hate this Netflix or whatever.” There’s, “I hate Netflix,” and Netflix declines 60%, you just say, “I hate Netflix.” Well, the reasons why you hate it when it was a lot higher a lot of that is probably priced in when it comes down 50%.

- Frank Curzio: Always be open and willing to invest in any situation. Yeah, you might lose money on it, but if the fundamentals make sense, you learn from your mistakes, you're going to know the company even better. It might be at level where it does make sense. Hopefully that makes sense.
- Frank Curzio: Let's move on to a question from, I won't say his name, because it's unique, so I'll just call him DS. And it's funny because he lists his name, it's differently, but now that he looks, his name is Dan. So, he signs it Dan, but the email actually is unique and I always want to protect people's privacy. So, his name is Dan. Dan, what's going on, buddy? Next time just put Dan right at the beginning. He goes, "Hey Frank. Just love your podcast and of course your Curzio Research Advisory newsletter." Thank you so much. I really appreciate it. And he says, "What do you think about Bitcoin at the current price?" He goes, "Thanks for all you do."
- Frank Curzio: I love questions like this right to the point. Right, not ugh, just right to the point. I like Bitcoin here. I do. I think Bitcoin, if you have 12-month outlook on Bitcoin, you're going to be fine. It's volatile. It could be 4,000. It could be 3,500. It could be down below 3,000. Long-term, I think 12 months from now, if you buy Bitcoin here, I think you're going to be happy. I think you're going to see a ton more interest coming to this market.
- Frank Curzio: There's one reason I think people don't talk about, of why Ethereum came down tremendously, why Bitcoin came down tremendously. If you're looking at the capital raises and ICO markets in 2018 basically. Right? Started last few months 2017, really went 2018, when the whole market crashed. But all these guys, most of them kids, they raised money tens of billions, you're talking about billions, billions of dollars raised. Which blows me away now that we have our security token to go, we got our soft cap, looking to raise 12 Million Dollars in total. But seeing this whole industry, and how it worked and it's going to completely change, be amazing going forward, we're actually getting acuity stakes in these things.

Frank Curzio: I mean, people were giving money to these companies without knowing a thing. All they had to do was supply you a token. That's it. Here's a token. And they went to Mama and Papa investors, they didn't go to credit investors, who can handle a loss if they lose money. Right? They're credit investors.

Frank Curzio: So, Mama and Papa investors were investing in these things and they raised 10, 15 Million dollars in cash. They didn't tell you what they did with it. You have no idea. They just have to give me a token. A token that you don't have an equity stake in. A token that's a utility token, that's going to give you the right to use their products and service on their site. And these sites still don't exist for a lot of these companies. I have no idea. You know 10, 12, 20 Million Dollars. Why there's no site? Why there not generating a dollar revenue? Why have all these kids in the middle of place hug and saying, "Hey. Here's our team and this is what we're doing."

Frank Curzio: You're not generating revenue. You're not generating money and these things are getting destroyed. The reason why they're going to continue to get destroyed is cause they're not backed by anything. They're not backed by any assets. They're not backed by equity. Nothing. So, they can essentially go to 0.

Frank Curzio: We see the court trends all the time. Some companies, they try to hide multiple and then that growth slows, they come down tremendously, but eventually, by a company like Nvidia. You're going to come down to where the fundamentals make sense. You come to a, you know. Maybe you start trading at 15, 16 times earnings the rest of the market and you know that is a place where you may buy it. But you don't want to buy it at 30, 40 times earnings, which is a huge premiums to the market, if they're not growing like they were.

Frank Curzio: With these companies, these ICOs they're going to fall, they're going to go to nothing. There's nothing back them. So, when I look at all the money raised, because with our offering, we're allowed to accept US Dollars. And most 95 percent of the investors that came in, came in, about 90 percent, came in

through US Dollars. Right? That's how they wired the money. We had some at Ethereum and some Bitcoin.

Frank Curzio: But almost all the capital raised, all the capital raised through all the ICOs launched in 2018, was pretty much Ethereum and Bitcoin. Yeah, other cryptocurrencies ripple and stuff like that, but most of that. Now what they did is kind of amazing, because when they raised that money. If you run a business or if you have a little small smart, you wouldn't tip that cash and immediately convert it to dollars. I don't know too many people that did this. I would say if I had to guess, I gotta put a number on this, I'm guessing here, that 90 percent of the people didn't do that. They didn't change or transfer that money over the crypto over to US Dollars, which means, okay, now I have 10, 15, 20 Million US Dollars. Fine. Here's what I am going to do for it?

Frank Curzio: They kept it in crypto. And what happened? Crypto began to crash. You don't know that as an investor. You think, "Wow. These guys. You know they said they raised 20 Million Dollars. They have 20 Million Dollars." No. First of all, if they have with the utility token. If these guys have any headquarters in the US, and there a utility token, they have to pay taxes on that, cause that's kind of seen as almost a gift, where you have to pay taxes on it immediately. Think about that. So you're investing in a company, if you invest 10 Million, you're going to have to pay 30, 40 percent tax, whatever and that's going to go down, 10 Million is going to go down, whatever, say 7 Million Dollars. It's probably a little bit more than that.

Frank Curzio: Would you invest in something where if you were going to give 10,000 Dollars into something, or 100,000 Dollars, say if you are going invest 100,000 Dollars in my security token, if you were going to invest in that and I told you, "Well. You know, probably 30,000 of that is going to go the IRS." No, you would never invest in it. That's the first thing.

Frank Curzio: I'm getting to your question here about Bitcoin. Cause the important point. The fact that these guys are just running out of money and they have all their money in crypto and

it's crashing. That money is disappearing without them even spending it. Not to mention they all have Lamborghinis and cars they spend, again, they could have done anything they wanted with this money and there's no accountability.

Frank Curzio: I have never seen anything in my life. It's worse than. Even during the Internet boom, at least you had real stocks, they had equity. They had websites. You know, they actually were businesses. Like here, you can't even get, there's not even a phone call. You gotta go to a LinkedIn account with no picture on it and maybe you'll get in touch with the guy. Maybe. That's how crazy it is.

Frank Curzio: Now, what happened is, once this market really started coming down, they were like, "Whoa. We have to get out of Bitcoin. We have to get out of Ethereum. We gotta put this." There's a massive sell off in these cryptocurrencies at the same time and that's why you're seeing the entire market come down. You're seeing the tokens themselves come down here.

Frank Curzio: But when it comes to Bitcoin, Ethereum, you would think, "Wow. They would hold up a little bit more." But you have all this massive selling because all these people saying, "Wow. Our 10 Million balance is going to 7 Million. Now, it's 5 Million. We gotta get out." It's forcing more and more selling. I think we're past that point. The fact that all this stuff is down 80 percent and the fact that most of these companies probably have 0 cash on their balance sheets right now. I would say more than 60 percent, if you go on [coinmarketcap.com](https://coinmarketcap.com) and you see, I think it's over 2,000 of those, I would tell you probably 60% have run out of cash. They don't have to tell you that. It's fine, but they need more cash to run that company.

Frank Curzio: Because when they took that money, remember, they're not like us, and has an existing company. We spent money, we developed the token, we did all that. They're taking money. They're, like, okay, "20 percent of the money we take in out of 10 Million is going to be for insiders, 15 percent is going to be for advisors," which they call bounties, and you know,

whatever, “advisors and the bounties that they’re going to pay money to, to help sell their services, then they’re going to basically give money to popular figureheads, that they can throw on their white paper as advisors,” that aren’t really advisors. They just like, “Hey. Give me a hundred grand tokens and yeah, you can put my face on there.”

Frank Curzio: Then, they’re like, “Alright. We have to hire all these people. We have to do all this stuff. We have to create the token. We have to create the website.” Next thing you know, it’s like 65, 70 percent of the offering is creating the company and it’s still not created. I mean, you would think like, wouldn’t it be nice if you invest 70 percent to grow the company. I mean, that’s why we’re raising money. We using almost all that cash to grow the company. Not to build the token, not to build the business. We have an existing business already. We’re generating millions of dollars already. We want to grow faster.

Frank Curzio: So, when you see this amount of money coming out and the amount of selling pressure, I think a lot of that is probably gone right now. When I look at Bitcoin, look, there’s going to be Crypto diehards that say, “Listen. There’s better solutions. I don’t think Bitcoin is going to be THE cryptocurrency that everybody uses. There could be alternatives, but right now it is.” It’s a bigger percentage of the overall market than I think it’s ever been. Pretty much in the past 18 months, almost 2 years.

Frank Curzio: For me there are more uses. I think you’re going to see more blotching, Bitcoin being used for more and more things and I’m a believer that, yes; This is going to go a lot higher, because a lot of the selling pressure has subsided. It’s going to go up and down based on news and things like that. If I put a gun to my head, and say, “would you buy it?” I’d say, “Yeah.” I’d say, “I’d buy it here over the next 12 months.” Just know to speculate, but I think it’s a good investment. I think Ethereum is going to be a good investment too, which I know a lot of crypto diehards are going to disagree with as well.

- Frank Curzio: You have all this mass selling that's taken place and a whole new market that's coming to light, and a lot of those tokens are going to be Ethereum based. Ours is Ethereum based. I think that's going to create a lot of buying within those two cryptocurrencies.
- Frank Curzio: I do like Bitcoin here. I do like Ethereum here as well. I think both of those are going to go higher over the next 12 months. But again, those are speculative investments, guys, just know that. I wouldn't say that, "Frank, said Bitcoin is going higher." No. Remember when this thing was trading at 17,000, if you go back and look at some of the forecasts, Bitcoin, a Million, Bitcoin 300,000. I sat on panels with people that said, "It's going to a 100,000 in a couple years." And it declined 70, 80 percent.
- Frank Curzio: Just be careful. Nobody knows. It's very difficult. People will say that have models and things like that. For me, when I look kind of at the fundamentals, the buying and the selling. There's a ton of selling pressure on these two cryptocurrencies over the past 12 months. I think a lot of that has subsided and that's going to push this thing higher and I think you see more buyers coming in. If that makes sense.
- Frank Curzio: Alright, let's take one more. Have some fun here. Again, I've been talking about my STOs so much, I want to get back to stocks and questions and things. So, Mason. Mason, you gotta get this question which is pretty cool. He says, "Hey, Frank. When evaluating a company how do you determine whether to view quarterly vs annual numbers? It seems really more beneficial to look at quarterly numbers when evaluating the stock for the short term. But for the value of the stock long term, it would be more beneficial to look the yearly numbers. Can you talk about how you use quarterly vs. annual numbers in evaluating a company?" He says, "Thank you very much."
- Frank Curzio: Mason. I rarely use quarterly numbers. I analyze every single quarter, but if I'm going to trade a security, like you'll see me say on twitter sometimes, I think Netflix run up tremendously

onto the quarter and everybody has buyer ratings on it and they're about to report. And I'll say something, "Hey. It's probably a good idea, you know, no matter what they report, this stock is probably going to go down." Right? We've seen it with Square had really good numbers, it ran up a lot on the past couple weeks, then it pulled back a little bit and that's a holding we work a lot on and I think it's going to go a lot higher, the metrics are great.

Frank Curzio: Of course, the quarterly numbers are great. For me, I just switch companies reported every 6 months. You really don't need to report quarterly results. It promotes financial engineering when you're getting these contracts in. Think about every 3 months. I mean you can have somebody can a contract. You could have late payments. There's so many things that go into it. It's all about the system and political and paying accountants, and paying lawyers and all this garbage. Even Jamie Diamond, a lot of big respectable people in the industry have come out and said, "I don't know why we report quarterly numbers." But again, it's for lawyers and accountants, stuff like that.

Frank Curzio: For me, with my style of investing, I like looking at companies and saying, "Okay. This company's mispriced and I know over the next 18 months this company has several cows that going to hit and drive this company a lot higher." I don't know if it's going to happen 3 months from now, 6 months from now, 9 months from now, or 12, 15 months. But over the next 18 months, I'm confident that this company says what they're going to do and these cows develop and come to fruition. Their stock is going to be traded a lot higher.

Frank Curzio: There's a lot more analysis that goes into that than just that. Right I want to make sure the price is low. Maybe it got crushed, because people don't understand. the calling numbers, they overreact and especially tailored algorithms, when things, just report a bad call, they go down 5 percent, they'll be down 20 percent, a buying opportunity.

Frank Curzio: There's a million factors that I look at before buying the stock, but if you're looking at numbers, and a lot of people ask me this, which might be related to this, Mason. For a P ratio, you look at forward PE, or you could look at the regular PE is a trailing PE, which is the previous 12 months, which I think is kind of meaningless, cause if you go back a previous 6 months. Go back a year of where Amazon was compared to now. It's kinda meaningless. Right? Growing 60, 70 percent. Same with Facebook and things like that.

Frank Curzio: Value Line I think still does this. I know a lot of you are like, "Value Line, what's that?" Well, that's showing my age a little bit, where Value Line used to be the bible. When there was no internet. They used to just send you basically, man, it was almost like a leaflet type of things, and they had this book, this binder, and they sent you like 50 pages at a time with 50 companies in each sector every 2 weeks. And they had these analysts analyze them on 1 page and it was just great information. That was like the bible of research back then. Value Line takes it where they go 6 months back and 6 months ahead. That's how they had the PE ratio. Which I think is really cool. I'm surprised that's not more adopted.

Frank Curzio: But when it comes to actual quarter, if you're a trader and you think the company is going to make the quarter, sometimes it's not about the numbers. It's more about sentiment. If you see a stock come down tremendously into that quarter, they can really report terrible numbers that's factored in and you see the stock jump 15, 20 percent. Even if you miss, and on the flip side of that, if the stocks are running up tremendously into the quarter, even if they beat and raise guidance, you'll see a full 5, 7 percent, people will be like, "Why is it falling?" Because you're up 30 percent over the last 2 months and the market was anticipating a blowout quarter.

Frank Curzio: If you're going to trade and look at the quarter, you want to look at sentiment. You want to look how the analyst are leaning. Think about doing the Yahoo finance a couple of other things. I pay a lot of money for my research. Probably over

100,000 dollars a year for my research engines, which tell me what all the analysts are, having access to all these reports, seeing where they are, how optimistic are their target prices.

Frank Curzio: Sometimes like with Apple, you have everybody leaning on one side, saying, “The stocks going to 250, 300.” When iPhone sales are going to slow, even their numbers show that it’s going to slow, but everybody believes Apple was going to go a lot higher and you see a 30 percent sell off in the biggest stock in the world, because everyone is leaning one way.

Frank Curzio: And then what happened with Apple? A good example that we could bring up here. Apple. Basically, last quarter everyone lowered their estimates tremendously, they kinda badly beat, the guidance wasn’t that exciting, but the stock went up a lot. Because expectations were suddenly low. Everybody just lowered their estimates.

Frank Curzio: So, it’s more of a sentiment thing if you look at a quarter. For me, I like to look at annual numbers. I like to break down their quarters. Listen to Conference Calls please. It’s an amazing service that you have no idea probably 15 years ago, only analysts were allowed to listen to these calls. Those are the only ones that had access to this. Now we all have access just like the analysts and when you listen to these companies, they are giving you an update. Not necessarily you’re listening to it all the time for the specific company, but when you listen to some of these infrastructure companies, that have exposure everywhere. And when you listen to some of the large banks, like J.P. Morgan, they have the pulse on the 20 largest countries and what’s going on.

Frank Curzio: You can really if you just think outside the box when you listen to these calls. You’ll find so many ideas and markets, like wow Japan. I mean look at the numbers coming out of Japan and the economy has been so bad, but the numbers have been fantastic. You could find stocks that have exposure to Japan. But, you know, again, it’s just an example.

Frank Curzio: Listen to those conference calls, which are quarterly, but for me, I'm analyzing the annual numbers, looking at all the numbers every quarter, but I'm not so concerned of what's going to happen next quarter in terms of. I shouldn't really say that guys to be honest with you. If I'm recommending a stock, I'm very conscious of when they're going to report, because volatile, so crazy and the last thing I want to do is buy a position and it falls 10, 12 percent out of the gate. A lot of times if we're approaching earning season, I think a stocks trading really good or just came off a bad quarter, I think the quarter is going to be good. I'll take a half position, because if it's not good it might fall a little bit, then I can add to my position, which is going to improve my cost basis.

Frank Curzio: I am focused on the quarter, but my style of investing is more thinking 12, 18 months from now of where a stock is going to be trading. So, you annual financials are pretty important to me and moderating the quarter financials as they go listen to those conference calls and making sure they're progressing in the right direction. That those cows are going to be met. That's how I do my research.

Frank Curzio: Hopefully that makes sense. It's funny. For me, I'm just answering these questions. There's nothing written down here. Sometimes it takes me wherever. If I'm rambling, just say, "Curzio. Stop rambling." But, for me, I like doing that, because I want to show you exactly how I'm thinking and maybe my mind moves too fast, I'm talking too fast. My apologies, but that's how I like to answer these questions, where I just take them and say, "Okay. This is how I'm going to think about this. This is where I'm going." This way you can follow exactly what I'm doing as someone that's been doing this for 25 years. And over those 25 years made mistakes that I try to learn from and continue to make mistakes, always learning. Learning new styles of investing. Trying to limit your risk. Again, it's always learning, learning, learning.

Frank Curzio: That's why you want to be in the market long term, because it's one of the best performing assets ever in the world. I mean

think about it no matter when you bought stocks anytime, you're probably up on your money if you bought SP500 or whatever, anytime in history since the SMP became 500 companies in 1950, I don't know what year. You guys can surprise me and send it to me at [frank@curzioresearch.com](mailto:frank@curzioresearch.com) if you like, but I think you get my drift. You want to be in the market long-term, so make sure you limit your risks and stuff like that.

Frank Curzio: And again hopefully, I'm not just babbling, and you guys know exactly what I'm talking about. Hopefully you enjoy the podcast, took a couple extra questions. Come back to this. As you probably know, our private sales are now over for our CEO token offering. It ended yesterday. Now, I'm meeting with a lot of outside investors, hedge funds, cryptofunds, which is pretty exciting, seeing some demand there, which is again very exciting.

Frank Curzio: I just want to say thank you. So, we did hit our soft cap at 3 Million early last week. The money continues to fall in, which is exciting stuff. Hey, look, if you're a credit investor and you're interested in investing in our token, where you're going to get an equity stake in our business. If you are still interested, again, we're going to outside places, but be sure to reach out to me. I'm still going to honor the 10 percent discount for everybody.

Frank Curzio: I don't know. I know that the people that we're talking to have the ability to write a very, very big checks. I'm hoping that we can fill this up with good investors, so that's why we were very adamant, saying, "Hey. If you're going to do it, do it by Thursday." But, you know, if it's open, it's open. I think; I shouldn't say this, but I do think we'll do the 12 Million. I'm pretty confident took a deal. We have some really cool meetings set up with some exciting stuff and exciting people.

Frank Curzio: If you still want in, again, I'll honor that 10 percent discount, just give me a shout, cause this way, I can save some for you. Otherwise, once we hit our hard cap at 12 Million. It's over. I'm not diluting. I'm not going to raise more money. That's it.

That's all we're looking to raise and we're not going to take any more investors after that. So, again if you're interested, be sure to send me an email, [frank@curzioresearch.com](mailto:frank@curzioresearch.com). Or you can just go to, you know, we created that dedicated website, which is [www.curzioequityowners.com](http://www.curzioequityowners.com). So, you can rent out white papers, safe agreements, CO investor guide, our FAQ page. You know.

Frank Curzio: More important guys, and I mean this, even if you chose not to invest in our offering, you can still go to that site, start learning about this industry. We have our token tracker website that we created, getting so much positive feedback. Just pulling the stories that we're seeing in the crypto world for the security tokens, which are now called digital securities. They want to get away from the token part, because token kind of relate to utility tokens. Really this industry has nothing to do with the other industry and crypto. It's totally, totally different.

Frank Curzio: So, just start learning about it. You can through our website. Start going out there, doing google searches. There's a couple get sites out there, but start learning about this. It's early. We're kind of first at the party. It's exciting. It's innovative. I truly believe this going to be a monster, monster industry, that's going to give the opportunity first time individual investors to invest in corporate bonds without going through an ETF, where you got to pay massive fees. You're going to be able to buy commercial real estate for individual investors through these tokens.

Frank Curzio: Again, having equity stake and they're going to pay dividends and things like that. Buying fine art that's insured, that you get a piece of these beautiful paintings. You don't have to pay 10 Million Dollars. They could sell 3, 4, 5 Million of it individual investors. Right? That's tokenization. But you're looking at the real estate market, where it's 2 Hundred Trillion in global assets. You're looking at the stock market alone is 30 Trillion Assets and we're seeing public companies start doing this now.

- Frank Curzio: It's really taking off. The people I know in the industries, even close contacts, people at Goldman Sachs, J.P. Morgan are leaving just to focus on this industry and build companies around this industry. This isn't coming. 6 months ago, 9 months ago, I started talking about, "I have a feeling." It's not a feeling anymore. It's here.
- Frank Curzio: The reason why I was so adamant about you guys learning about this industry is because for the first time ever, we're going to be put on par with Wall Street. You don't need fricking 50 Million Dollars in a Goldman Sachs account to get the best ideas. No. A lot of these ideas are going to come across our desk, because we're first to the market. I have more than 2 dozen companies that reached out to me that want to do this as well. That's going to give us an opening for discounts.
- Frank Curzio: After the 12 Million lock up period ends, they're going to be open to individual investors. This market is going to get bigger, bigger, bigger, and bigger as every single year goes by and now that we have exchanges launches that are registered with SEC, that are going to be ensured.
- Frank Curzio: I mean this trend is here right now and again it's going to give individual investors an opportunity to invest in the Facebooks, to Twitters, next Amazons, not when they come out with their IPO, where 70% of their growth is already done, but during the really early stages.
- Frank Curzio: And that's why I'm excited. You guys should be excited about it, too. So, I'm glad we're in this industry. Start learning about it even if you're not going to be investors. Perfectly fine. I get it if you're not a credit investor, but this is really, really, really an exciting industry.
- Frank Curzio: So, thanks again guys. Really appreciate. Just helping me out starting this company, being loyal. It's just amazing when we saw the money coming in so fast and how many loyal people we have and investors I got to talk to personally. You know, just truly blessed and honored. I can't say thank you enough. I say

it all the time, but serious guys. Thank you for all the support I really appreciate it.

Frank Curzio: Have a great weekend. I'll see you in seven days. Take care.

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