We’re Following This “Boy Genius” Into the Bank of the Future

By Teeka Tiwari

Eighteen months ago, I asked you to take a chance on a wonder kid barely out of his teens.

I explained how this genius had created a blockchain operating system that other geniuses would develop on.

I wrote that in the future, developers would build virtually all blockchains upon his invention.

The name of that “kid” is Vitalik Buterin.

His invention was Ethereum.

In 2016, I told you the Ethereum network would become the de facto operating system of the blockchain. Today, more than 50% of all new blockchain projects are launched and built upon the Ethereum network.

To date, we’ve made 2,897% in profits by following Vitalik and owning the ether token. (Ether is the crypto token that powers the Ethereum network.)

When I first recommended ether, it was trading under $10. I predicted the tokens would be valued at $360 per token.

At the time, many thought my price target ludicrous.

In hindsight, they were sort of right... It was ludicrously low.

Since recommending ether, we’ve seen its price rise to as high as $415. As of this writing, it’s trading around $300.

Over time, I think we’ll see it trade well over $800.

Ether derives its value from the thousands of developers who build applications on the Ethereum network. Those apps fuel demand for the ether token.

It’s the same principle behind Microsoft’s success in the ’80s and ’90s.

Millions of developers lined up to build programs to run on the Microsoft operating system.

Teeka and Ethereum Founder, Vitalik Buterin
All that developer talent spawned thousands of useful computer programs. That, in turn, created huge demand for computers running Microsoft’s operating system.

That demand propelled shares of Microsoft from an IPO price of 10 cents to a high of $73.

Both Ethereum and Microsoft are known as “platform plays.” That means they provide a platform for other people to work on.

Over the last 30 years, the stocks that created the biggest wealth for shareholders have been platform companies.

In fact, the top five U.S. companies by market capitalization are all platform companies: Apple, Google, Microsoft, Facebook, and Amazon.

These companies allow consumers, developers, and producers to connect with each other and exchange goods, services, and information.

This month, we are going to follow Vitalik Buterin into another blockchain “platform” company.

This one is a payment processor that will completely disrupt the money transfer industry.

Not only will this new platform allow you to move money across different payment systems... it will also liberate trillions in “stranded assets” (like airline miles) currently trapped on closed networks (more on that in a moment).

*And on top of that, it will make it easier for the more than 2 billion people around the world who don’t have traditional bank accounts to move money.*

**An All-Star Team**

The company I’m recommending this month added Vitalik as an adviser. But he’s not the only all-star in this space to join the team.

Joseph Poon is a highly-regarded computer scientist who co-wrote the “Lightning Network” white paper. The Lightning Network is a technology that will enable thousands of transactions per second on the bitcoin blockchain.

Poon has come aboard as lead technical adviser.

Joseph also wrote the white paper for this month’s company. (Companies issue “white papers” to highlight how their product or service will solve a particular problem.)

Neither Vitalik nor Poon need these advisory roles to pay the bills. Both have made vast fortunes already.

To see these two luminaries join forces behind the same project is a huge vote of confidence.

But they’re not the only big names joining the team.

Another adviser on this project is Dr. Gavin Wood, one of Ethereum’s co-founders.

Bitcoin millionaire Roger Ver (aka Bitcoin Jesus) and Julian Zawistowski (founder of the distributed supercomputer Golem) are also part of this star-studded lineup.

When you see this much talent coalesce around a single project, you have to pay attention. Collectively, these men have created billions in value in the crypto space.

And we think they’re about to do it again.

In this month’s issue, I’ll show you why I think we can make at least 10x our investment. That will push the value of this token from under $3 (at the time this issue was written) to $30.

But I think that could be just the beginning...

If these guys can truly deliver what I think they can, then the whole operation could be worth north of $100 billion.

If I’m right, that could take the value of this token from a current price of about $3 (at the time this issue was written) to over $700 per coin.

That’s enough to turn a tiny $500 investment into $107,000—a 21,300% gain.

If you think that sounds outrageous, consider this: We’ve made a 37,287% gain on Antshares (now
in less than six months. Every $1,000 invested in NEO has turned into $372,865.

At Palm Beach Confidential, we call this type of opportunity an Asymmetric Trade.

Because these trades have massive upside, you can keep your positions small. You just need to put $100, $200, or $500 into this position to make significant gains.

Before I get into the name of the project, let me tell you about the problem it’s solving.

Breaking Down the Language Barrier

The payment processing industry is one of the biggest—and most important—in the world. Payment processors move more than $3.6 trillion per year, according to Juniper Research.

Payment processors are usually third-party companies that handle electronic transactions made via debit, credit, or gift cards.

The processors get paid a fee or commission for each transaction they make.

Some of the biggest players in this space are Visa, MasterCard, PayPal, Alipay, and Wechat. These are hugely successful payment networks.

For instance, Visa moves $24.3 billion per day. MasterCard moves $13.2 billion per day. Alipay and Wechat move $4.6 billion daily and $3.5 billion daily, respectively.

But here’s the problem with the current payment processing model: It’s a “closed” payment ecosystem.

In other words, these payment networks can’t “talk” to one another.

So, for instance: If I have money in a PayPal account, and you have an Alipay account, I can’t send you a payment unless I set up an Alipay account... or you set up a PayPal account.

My money is literally trapped on the PayPal network.

Payment providers make it difficult and expensive to move money from one system to another. They do this so they can hold on to as many fees as possible.

Today’s recommendation is using blockchain technology to link the world’s closed payment networks. Think of it as a universal translator that lets a room full of foreign speakers understand each other.

The technical word for this is “interoperability.”

If that term sounds familiar, it’s because I’ve written about it before.

What’s different about this company is that it’s linking all digital assets, not just traditional payment networks like Paypal and Alipay.

Let me explain...

Liberating Trillions in “Stranded” Assets

Most people don’t realize this, but there are potentially trillions of dollars’ worth of digital assets “stranded” on closed networks.

By stranded assets, I mean assets of value that can’t be moved from one network to another or converted into other assets.

Think of airline miles.

It’s estimated that over $700 billion worth of airline miles have been issued. But there is no way to monetize, trade, or move those miles outside the closed networks that created them.

Another example of a place where assets are stranded is in digital games.

Take the online game Second Life, for example.

About 900,000 people per month “live” in this online alternate reality.

Players work at virtual jobs, shop in virtual stores, and participate in virtual social groups. They even have their own virtual currency... called the Linden dollar.

This virtual currency is convertible to U.S. dollars. The exchange rate is about 252 Linden dollars to $1.
The in-game economy generates over $500 million per year in commerce. However, all that value is “trapped” in Second Life’s closed economy.

There are plenty of other examples... Hotel reward points, loyalty points, and gift cards. They’re all tied up on closed networks.

This month’s idea will be able to “liberate” those trapped assets... and allow you to sell, trade, or exchange your digital assets or convert them into cash.

**A New Way to Transact Value**

This new technology promises to create an “interchange”—or neutral ground—where any digital asset can be traded, purchased, or spent... regardless of the network in which it was spawned.

If you believe, as I do, that the future will be a world where physical and virtual items are converted into digital tokens that are secured by a blockchain... then you know we’ll need an exchange that can trade any asset.

And it doesn’t matter if those assets are digital representations of cash, airline miles, time shares, in-game virtual currencies, or cryptocurrencies.

Here at *Palm Beach Confidential*, we believe that blockchain projects that can enable different systems to “talk” (interoperate) with one another will make early investors vast fortunes.

That’s why we’re so excited about this idea.

The company that can solve the problem of digital asset interoperability could very well become the most valuable company in the world.

Think about how the internet gave us a uniform way of displaying and sharing information.

Before the internet, there were hundreds of “digital bulletin boards” that people used. Yet none of those networks could talk to one another until the creation of the internet.

In a way, the internet became the ultimate tool of information interoperability.

Today, I want to tell you about the company I’ve found that’s creating the interoperability tool for all digital assets, including money.

The name of the project is *OmiseGo (OMG)*. It’s a Thailand-based financial tech company.

This June, the company raised nearly $25 million from its initial coin offering (ICO).

[An ICO is like an initial public offering—or IPO—held by companies that are going to trade publicly.]

It’s also raised more than $20 million from traditional venture capital investors.

Just like two other ideas we own (NEO and Factom), there’s a public version and private corporate version of Omise.

The private version is a payments company called Omise (pronounced oh-mee-say)—which means “store” in Japanese.

The corporate version of Omise has operated a payments platform across Southeast Asia since 2013.

The version of Omise we can own is called OmiseGo (OMG).

OMG will become a blockchain payment network that allows users to freely move any and all digital assets across any traditional (think PayPal) or non-traditional (think airline miles) payment network.

Remember when I told you the biggest gains for investors come from platform companies?

Well, OMG is launching a digital wallet platform that other developers can build on. Just as Microsoft, Apple, Google, and Ethereum created operating systems for developers to build on, so has OMG.

It’s the exact model Ethereum used to vault its value from under $30 million to over $25 billion.

Ethereum created a platform that let developers build blockchain applications. The advantage for developers is they could focus on just building the application and not having to build an entire blockchain.
OMG is doing the same thing with payments.

With the OMG platform, developers can build payment applications without having to go through the tedious (and costly) process of setting up an international payment network.

As of now, the OMG tokens trade on the Ethereum network. By year end, OMG will trade on its own blockchain.

**Bringing Together 50,000 Merchants and 420 Million Customers**

As of this writing, more than 50,000 Southeast Asian merchants use the traditional Omise corporate payments platform.

Each of these merchants is a potential user of the OMG blockchain.

This is a built-in captive audience that should enable the rapid adoption of the OMG payment platform across Southeast Asia.

Here’s why that is important...

Southeast Asia is the world’s fastest growing region in terms of internet use.

The region is adding 3.8 million new internet users per month. Let me show you why that number is so important.

According to the World Bank, 2 billion people don’t have a traditional bank account.

In Southeast Asia alone, 420 million people are unbanked. That’s about 70% of the region’s population.

Omise is the solution the unbanked have been looking for.

That’s because Omise’s network of 50,000 merchants can collect cash and grant access to the OMG blockchain payment network without the need for a bank account.

This is unique.

It gives Omise a huge competitive edge in one of the fastest-growing digital payments markets in the world.

OMG will first focus on building wide-scale adoption of the OMG blockchain among its 50,000 merchants.

Once its solution has been proven across Southeast Asia, you’ll start to see widespread adoption across global markets. And that’s when this idea will get really exciting.

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**What Is B.I.T.S. Saying?**

**B.I.T.S.** is designed to automatically alert us to ideas when investor sentiment is low. We call this buying at the bottom of the fear curve. You can read how the system works here.

**B (Business Value Ratio):** The business value ratio measures the daily dollar value of all transactions compared to the total value of the cryptocurrency. When the business value ratio dips below its average, it’s a sign the crypto token is cheap.

OmiseGo just started trading on July 14. At this time, we don’t have enough data to evaluate its Business Value Ratio.

However, we can tell you the rest of our B.I.T.S. system is flashing a buy right now.

**I (Insiders):** When the business value ratio is flashing, I go to my insiders.
As I told you, OmiseGo has an all-star team. Vitalik Buterin and Joseph Poon are some of the biggest minds in the space. In addition, the founders of Omise, Jun Hasegawa and Donnie Harinsut, have a history of operational excellence. These are hardened businessmen who have already built the largest payment processor in Thailand. These are the type of people you want on your team.

Everyone I’ve spoken to holds these insiders and technical advisers in the highest regard.

T (Technicals): We use technical analysis to tell us when the selling is over. The Relative Strength Index (RSI) measures how strong a cryptocurrency is based on its previous trading history. If today’s price is higher, the RSI moves up. If today’s price is lower, the RSI moves down.

The RSI for OMG tells us the buyers are in control.

S (Social Media): Our research has shown that before a cryptocurrency takes off, we always see a surge in “chatter” on our social media tracker.

As you can see, the social media chatter on OmiseGo is at all-time highs.

What About the Competition?

By now, you’re probably thinking what’s to stop someone else from doing the same thing?

Absolutely nothing.

Anyone can scribble together a white paper claiming to do what OMG plans to do. The difference is Omise has a proven team and track record.

Omise corporate already operates the biggest payment gateway in Thailand.

They are proven winners in the payments game.

Joseph Poon and Vitalik Buterin have already built networks that can handle billions of dollars’ worth of transactions.
That kind of real-world operational experience doesn’t come around often in the crypto space. When it does, you want to jump all over it.

The other concern you may have is why will people embrace OMG over traditional payment providers? The biggest reason is that traditional payment providers require you to have a bank account. With OMG, that’s unnecessary.

That’s a huge competitive edge in a global marketplace with 2 billion unbanked consumers.

The other edge Omise has is lower costs. The Omise corporate payment network is already 50% cheaper than its peers.

Once the OMG blockchain goes live, we expect costs to drop by another 75%.

That’s because Omise doesn’t have to pay for the blockchain infrastructure. The holders of OMG tokens provide that.

Let me explain...

A Different Type of “Mining”

In a traditional blockchain, “miners” provide and maintain the hardware that supports the network.

They compete to solve complex mathematical problems. The winner gets a reward of crypto tokens. This is called “proof of work” (POW).

POW is very effective... but it uses an enormous amount of electricity.

For instance, it’s estimated that the bitcoin network (which uses POW) uses the equivalent of the annual electrical usage of the entire country of Denmark.

With OMG, token holders will be able to “stake” their coins under a system called “proof of stake” (POS).

I’ll explain how that works...

**Here’s How You’ll Get a Cut of Every Toll**

Imagine for a moment owning a toll on the world’s most used road.

That’s what owning OMG could be like.

Under a POS model, token holders put up or “stake” their coins.

These coins are essentially taken out of circulation.

You still own them, but you can’t spend them. These staked coins validate the transactions on the network the way “miners” do on the bitcoin network.

The reward you get for staking your coins is a share of the transaction fees generated by the network.

Similar to how a stock lets you participate in a company’s profits through dividends, OMG tokens will let you participate in the network’s revenue.

We’re still waiting for the final details, but the white paper outlines a plan for OMG token holders to share in the fees generated on the network.

That means you can get a cut of every single transaction that goes across the OMG blockchain.

As the payment network grows, so will the network fees. Token holders will share in those fees. Can you imagine if 60 years ago you were able to get a cut of every transaction put across the Visa network?

How wealthy would your family be today?

OMG is giving you a legitimate shot at owning a toll booth on what could be the most valuable payment network in the world.

It’s estimated that close to $4 trillion is moved via global digital payment networks per year.

Let’s be ultra-conservative. If OMG can capture even 0.5% of that payment market, it will process $20 billion per year in payments.

If we assume a 1% transaction fee, that’s $200 million per year in “tolls.”
There's a total of 140 million OMG tokens. So, that’s a potential of $1.42 per year per token in fee income.

As of now, there’s no formally recognized method to value these types of blockchain companies because they’re so new.

However, the equivalent in the stock world is called the price-to-earnings (P/E) ratio. The P/E ratio shows how much investors are willing to pay for $1 of current earnings.

A traditional payment network like Visa has a 39 P/E. A non-traditional payment network like PayPal has a P/E of 49.

If we apply the P/E ratio to Omise, it would suggest a token value between $55–$69.58.

Now, please remember: This is all theoretical. As I mentioned above, we’re in new territory.

As such, OMG’s value could actually end up being vastly higher.

You see, if the platform emerges as the global operating system for payment apps the way that Ethereum is emerging as the global operating system for blockchain apps, then OMG’s value will be much larger.

I believe OMG could be to payments what the Microsoft operating system was to the PC market. Microsoft became an indispensable platform that launched the world into the desktop computer era.

At its peak (which is today), Microsoft is worth $567 billion.

OMG has the potential to become the payment platform the whole world uses.

Under that scenario, it could easily achieve a $100 billion valuation. Some could argue that a $500 billion valuation would be justified.

I won’t go that far.

I will say that $100 billion is achievable. At that value, each token would be worth $713 each. Just recently, it traded at $3 and change.

When I first introduced you to Vitalik Buterin, ether was trading around a similar price. Today, it’s trading around $300.

This is another chance to follow the wonder kid to life-changing gains.

Important Note: We issued a buy alert on OMG ahead of this report on August 7. At that time, we entered OMG at $2.93. Since then, the price has almost tripled. We are raising the buy-up-to price to $6.

OMG may be above that price when you read this issue. But I encourage you to wait for a pullback before placing a trade. Do not chase the price. One way to take advantage of the volatility in the crypto space is to put in bid orders on the exchanges.

Action to Take: Buy OmiseGo (OMG)
Buy-up-to Price: Raised to $6
Stop Loss: None
Buy it on: Bittrex
Store it on: MyEtherWallet
By Teeka Tiwari and Greg Wilson

Congratulations to those who bought Antshares (now NEO) on our original recommendation.

On August 7, we took profits for the second time, selling 10% of our stake, and locking in gains of 14,354%.

Now, you may be wondering why we didn’t sell our entire position. The reason is simple: We still see a bright future ahead for NEO.

Since scooping our last 10% off in profits, we’ve seen NEO rise even higher. Current profits stand at over 37,000%.

In 2017, we’ll see the first decentralized applications (dApps) and ICOs released on the NEO platform. Further, NEO plans to announce a dApp seed project this year to encourage development.

We should also see NEO added to more exchanges in 2017. Co-founders Da Hongfei and Erik Zhang are traveling to Japan this month, and they’ll potentially be talking to Japanese exchanges.

For 2018, NEO’s top priorities are NeoX and NeoFS.

NeoX is a protocol that implements cross-chain interoperability. This allows other assets to be compatible with the NEO blockchain.

NeoFS is a distributed storage protocol. Smart-contract creators will be able to store large files on the NEO blockchain and set access to those files.

The future is bright for NEO. Continue to hold.

**Action to Take: Hold Neo (NEO)**

**Bitcoin (BTC)**

Bitcoin’s “scaling war” has come and gone without a hiccup and bitcoin has soared right past our buy-up-to price. With the introduction of a U.S.-regulated options and futures market for bitcoin later this year, we believe bitcoin prices are headed much higher.

That’s why we are raising the buy-up-to price to $5,000.

**Action to Take: We’re raising the buy-up-to price of bitcoin to $5,000.**

**Bitcoin Cash (BCH)**

As long as you followed our advice and held your bitcoin in a wallet where you control the private keys, you should now have an equal amount of Bitcoin Cash.

We recommend that you sell your BCH. The process to do that depends on where you store your bitcoin.

If you are using a hardware wallet such as Ledger or Trezor, you can follow this link for instructions.

If you stored your bitcoin on a wallet such as Jaxx or Airbitz, you can be patient... We are waiting for an approved BCH wallet to come out. Once we find an approved wallet, we will send out instructions on how to use it.

Keep in mind the value of your bitcoin is much greater than your Bitcoin Cash. We do not want you to put your bitcoin at risk. Therefore, we are not going to rush the process until we find a wallet we are comfortable recommending.

**Action to Take: Sell BCH if you use a hardware wallet.**
Gas (GAS)

Gas is our newest portfolio addition. As of this writing, it’s already up 53.9%. Next month, we will publish an in-depth issue on GAS.

**Action to Take:** Buy Gas (GAS) up to $30.

Ether (ETH)

We’ve talked a lot about the volatility in the cryptocurrency space. The last few weeks for ether is a great example.

In that short time, we’ve traded over $400 and below $150.

That’s why I always preach rational position sizes and using the volatility to your advantage.

One way to take advantage of the volatility is to buy on the Gemini Exchange. Unlike Coinbase, you can place bids on Gemini to take advantage of volatility.

We still see a bright future for Ethereum. It continues to be the leader in the ICO space. Plus, Vitalik Buterin just released Plasma, his working paper for scaling Ethereum.

**Action to Take:** Buy ether (ETH) up to $400.

SteemPower (SP)

The Steemit user base continues to grow at a rapid pace. When we first recommended Steem Power in November 2016, it had just crossed 100,000 users. Recently, it passed 300,000 users. That’s 200% growth in less than a year.

**Action to Take:** Buy SteemPower (SP) up to $2.50.

Storj (STORJ)

This past month, Storj announced a partnership and integration with FileZilla.

FileZilla enables file sharing across all types of computers. Storj is providing FileZilla with an easy-to-use graphical interface that allows users to easily drag and drop files into Storj.

When the integration goes live, Storj will be available to FileZilla’s 15 million monthly users.

I also wanted to bring your attention to my video update from August 9. That’s when I pounded the table on STORJ.

At the time, STORJ was trading around 40 cents. The token had been languishing for months. During the video update, I told you the cash on Storj’s balance sheet alone was worth 50 cents per coin.

I said whenever you can buy a great project with a great team for less than the cash on the balance sheet, you have to buy it.

Congratulations to those of you who got in on my recommendation because STORJ is now up over 300% since the video.

**Action to Take:** Buy Storj (STORJ) up to $0.50.

Ethereum Classic (ETC)

Ethereum Classic is making moves to distinguish itself from Ethereum. Recently, Charles Hoskinson, CEO of IOHK and lead ETC developer, announced the release of its new client: Mantis.

Mantis was written from scratch and designed specifically for ETC. Plus, it uses the functional programming language, Scala, which offers security guarantees other languages do not.

Mantis’ release paves the way for new applications on top of the Ethereum Classic blockchain.

**Action to Take:** Buy Ethereum Classic (ETC) up to $25.

Peerplays (PPY)

Peerplays is getting close to releasing the first dApps on its blockchain.

Peerplays Eight, a gaming app with digital currency betting, entered beta testing this week. Peerplays is targeting a release in the next month.

Also in the works is Bookie, a decentralized sports betting exchange. Right now, the team is working on
development and a mobile app. Release is targeted for Q4 2017.

**Action to Take:** Hold Peerplays (PPY).

**Factom (FCT)**

Factom recently announced a new partnership with SMARTRAC.

SMARTRAC makes high security Radio Frequency Identification (RFID) inlays. These chips track documents and products. SMARTRAC is the world’s largest supplier of RFID inlays for ePassports.

SMARTRAC’s chips store information that is now going to be secured on the Factom blockchain through a product called dLoc.

With dLoc, any user can reliably authenticate essential documents like passports or medical records.

**Action to Take:** Buy Factom (FCT) up to $50.

**Ripple (XRP)**

The company is working on two new products for its network.

The first is xRapid, which provides liquidity for payment providers. And the second is xVia, an interface for sending international payments.

Ripple continues to work on improving the liquidity of its network. Right now, it’s working on formalizing a lending program. It will facilitate participation in the XRP market and lead to deeper markets as well.

**Action to Take:** Buy Ripple (XRP) up to $0.30.

**Short-Term Cryptocurrency Portfolio**

**Aragon Network (ANT)**

Aragon Network raised 275,000 ether in its May crowdsale. At current ether prices, Aragon has $82.5 million on its balance sheet.

At our buy-up-to price, you can buy Aragon for the cash on its balance sheet.

**Action to Take:** Buy Aragon (ANT) up to $2.50

**Iconomi (ICN)**

Iconomi finished the second quarter with a book value of $108 million. On August 1, Iconomi opened its platform to the public. This should cause a surge in interest in the Iconomi token.

At our buy-up-to price, you can buy ICN for its book value. Just like STORJ and ANT, this is a great deal.

**Action to Take:** Buy Iconomi (ICN) up to $1.25.

**NEM (XEM)**

ICO’s are coming to the NEM platform. This is very bullish for NEM. More activity on the network means more demand for the NEM token.

The COMSA project just raised $9 million from Japanese venture capital firms. COMSA is an ICO fund-raising and cross-chain platform built on NEM.

**Action to Take:** Buy NEM (XEM) up to $0.30.

**Wings (WINGS)**

Wings is a unique project in the cryptocurrency space. It’s a platform for ICO price discovery and funding. It’s becoming a popular platform. Forecasters can earn rewards for accurate predictions. And ICO analysts have a one-stop shop for information on the new offering. To date, six project have used Wings.

Right now, Wings is slightly above our buy-up-to price, but you can use any weakness to initiate a position.

**Action to Take:** Buy Wings (WINGS) up to $0.50.

**Lisk (LSK)**

Lisk is a blockchain application platform. Its network runs on the LSK token and developers can build blockchain applications on it.

Right now, Lisk is working on releasing a new software developer kit. This is key as it enables more
developers to work with Lisk. It’s expected to release before the end of the year.

In the meantime, Lisk is well-funded with $65 million on its balance sheet.

**Action to Take:** Buy Lisk (LSK) up to $1.50.

**Waves (WAVES)**

Waves is the crypto platform for issuing, transferring, and trading custom tokens and assets on the blockchain.

The platform has already hosted several ICOs with seven ongoing right now.

It also continues to announce new partnerships. For example, it recently partnered with Russia’s National Settlement Depository to provide deposit and settlement services for digital assets.

**Action to Take:** Buy Waves (WAVES) up to $4.

**Basic Attention Token (BAT)**

BAT is progressing nicely on the roadmap it laid out this spring. The first step is to relaunch the Brave browser with an integrated BAT wallet in mid-September. This will enable publishers to begin experimenting with reward models to increase use of their sites and services.

Keep in mind this project is led by Brendan Eich, who successfully launched Firefox.

**Action to Take:** Buy Basic Attention Token (BAT) up to $0.35.

**Syscoin (SYS)**

Syscoin continues to develop its Blockmarket product. It’s like eBay for the blockchain. Most recently, the team released the desktop beta version.

For the rest of the year, Syscoin plans to get Blockmarket certified on Microsoft’s Azure Marketplace, release its mobile Blockmarket app, and integrate Syscoin with mainstream e-commerce platforms such as Shopify.

**Action to Take:** Buy Syscoin (SYS) up to $0.30.

**Zcoin (XZC)**

Zcoin recently announced the first working implementation of Merkle Tree Proof (MTP) as a POW algorithm. MTP prevents ASICS miners from dominating the network and makes it more resistant to attacks.

Zcoin is currently working on implementing the MTP algorithm by offering bug bounties to outside developers. It’s a way to test out the software before releasing it to the public.

Once complete, Zcoin will deploy on the Bitcoin Core client. Being on the bitcoin base will allow Zcoin to adopt bitcoin improvements easily.

**Action to Take:** Buy Zcoin (XZC) up to $20.

**Golem Network (GNT)**

Now is a great time to buy Golem Network. The idea behind this cryptocurrency is the sharing of unused computing power.

Those who have extra computing power rent it out and those who need it can rent it from Golem.

The first use case for Golem is CGI rendering. Computer graphics require a tremendous amount of computing power.

For example, a typical Pixar movie needs 5 million computing hours to render. Golem has proven to be a cheaper alternative to the rendering farms used today.

The CGI rendering market alone is worth $3 billion. Today, Golem is valued at less than $250 million and CGI rendering is just its first use case.

**Action to Take:** Buy Golem Network (GNT) up to $0.60.

**Siacoin (SC)**

Overall, we like the decentralized storage space. However, we’ve decided to sell Siacoin.

Siacoin is the project of Nebulous. Nebulous and other early backers control another coin called SiaFunds.
Fees from generating contracts on the Sia network accrue to holders of SiaFunds, not Siacoin.

We prefer to hold coins where the value from the network or service accrues to the coin holders, not just insiders.

**Action to Take:** Sell Siacoin (SC).

**Stocks**

**Spark Therapeutics** (ONCE)

Spark received exciting news this month when the FDA accepted its Biologic License Application for voretigene neparvovec, its gene therapy for inherited retinal diseases, and granted it drug priority review.

Priority review is granted to therapeutics that offer major advances over existing therapies or provide treatment where none exists. The benefit is the review period is only six months instead of the normal 10.

The FDA will make an announcement on its approval by January 12, 2018. If approved, Spark’s gene therapy would be the first approved in the U.S.

Finally, Spark used the recent price advance to raise funds, selling 4.61 million shares of common stock at $76. The offering will raise $331 million and is expected to close by August 9.

Spark is cash rich. It ended the second quarter of 2017 with nearly $216 million in cash. But the additional funding will see the company through at least 2020.

The company is now firmly above our buy-up-to price of $60. But keep in mind its volatility could lead to another buying opportunity.

**Action to Take:** Buy Spark Therapeutics (ONCE) up to $60.

**Invitae** (NVTA)

Invitae reported second-quarter results on August 7. The stock sold off on the earnings miss, but the company is once again showing impressive growth.

Revenues came in at $14.3 million, up 157% from the year before. The number of tests increased to 30,400, up 139% from a year ago. And the cost per test dropped to $345, a 31% decrease from this time last year.

On the strength of the last quarter, Invitae announced a $73.5 million private placement on July 31. The company sold 8.6 million shares at $8.50 in a deal that closed August 3.

The proceeds are being used to fund two acquisitions, Good Start Genetics and ComiMatrix. The move is part of Invitae’s plans to expand into more areas of testing.

The two deals get Invitae into the fast-growing segments of prenatal and reproductive screening.

Further, Invitae will be able to collect all the genetic information from the two companies, which will be added to its future genetic analytics platform.

**Action to Take:** Buy Invitae up to $12.

**Sandstorm Gold** (SAND)

Sandstorm reported second-quarter results with slightly more gold ounces sold than the same quarter last year.

CEO Nolan Watson noted that several projects in which Sandstorm owns a royalty are developing toward production. For example, Yamana’s Cerro Moro is expected to go into production in 2018.

**Action to Take:** Buy Sandstorm Gold (SAND) up to $8.

**Dynacor Gold Mines** (DNG.TO)

For June, Dynacor reported producing 6,895 ounces, up 18% from a year ago.

For the first half of 2017, Dynacor produced a total of 35,310 ounces, up 6% from the same period last year. This was slightly below forecasts, due to extreme weather in April. CEO Jean Martineau expects gold production to continue to trend higher over the next six months.

**Action to Take:** Buy Dynacor Gold Mines (DNG.TO) up to C$4.
Teranga Gold (TGZ.TO)

Teranga reported producing 57,557 ounces in the second quarter, up 10% from the year before. The company is still on track to deliver on its guidance of 205,000 to 225,000 ounces for the year.

It also confirmed that the feasibility study for the Banfora project will be out before the end of August. The last feasibility study was in 2015. There’s been a lot of promising drill results since then, so this feasibility study should increase Teranga’s resource.

Shares have been languishing. However, Teranga is one of the best deals out there right now. It has an EV/EBITDA ratio of just 2. Competitors’ EV/EBITDA ratios range from 4.8 to 15.6.

Action to Take: Buy Teranga Gold (TGZ.TO) up to C$5.25.

On Teeka’s Radar

I spoke too soon about not having to travel until October. In September, I’ll be attending the Nexus conference in Aspen, Colorado. While there, I hope to catch up with Roger Ver (aka “Bitcoin Jesus”) as well as other folks in the space. I’ll also spend some time with the master speculator himself, Doug Casey.

After Aspen, I’ll hop on a flight to Las Vegas, where I’m delivering a speech at the Stansberry conference.

For now, I’m reaching out to my network, digging into new ideas, and looking for the next home run.

Special Alert for Abra Users

American Express, an early investor in Abra, is integrating the Abra wallet into its ecosystem. That means you can now fund your bitcoin purchases with your American Express card.

To do so, simply log into your Abra app and click “Add Money.” Click the American Express option and follow the instructions to add your card.

As always, check the Crypto Corner for all our resources on wallets, exchanges, and other cryptocurrency services.
I recently received a recommendation to buy OMG. The thing is, all my BTC is tied up on my Jaxx wallet waiting for them to produce the BCC/BCH. If I move it back to Bittrex, I will lose my BCC/BCH. Is there another option to get my BCC/BCH?

You also recommend selling 10% of ANS/NEO, but according to Bitcoin Tax (website), it’s then considered a short-term capital gain. Why wouldn’t you just wait out the year, so it becomes LTCG?

Also, NEO doesn’t seem to have a decent wallet. I’m nervous about leaving my NEO on the exchange. Any comment on that? — Greg F.

Teeka’s Reply: It’s just like when you have to own a stock to be eligible for its dividend or corporate spinoff. So long as you own the stock by the “ex-dividend” date, you’ll receive the spin off or dividend. The same is true in a cryptocurrency fork. So long as you owned the asset before the fork happened, you get credited with the extra tokens. Once the fork has happened, you can do whatever you want with your original tokens.

Your BCH has already been allocated to your account. Moving your bitcoin once the fork has already happened won’t affect the BCH in your account.

You might not be able to see the BCH in your wallet yet. That will be fixed once we find a BCH wallet that is trustworthy. Both blockchain.info and Jaxx are working on BCH wallets.

As to tax advice, we must insist you speak to an accountant familiar with the tax laws in your jurisdiction.

We are currently researching NEO wallets.
## PORTFOLIO PERFORMANCE

### Stocks

<table>
<thead>
<tr>
<th>NAME</th>
<th>SYM</th>
<th>BUY DATE</th>
<th>CURR PRICE</th>
<th>RETURN</th>
<th>YIELD</th>
<th>STOP-LOSS</th>
<th>ACTION TO TAKE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connecticut Water Service</td>
<td>CTWS</td>
<td>01/08/14</td>
<td>$56.38</td>
<td>72.0%</td>
<td>2.2%</td>
<td>17.5%</td>
<td>Buy up to $35</td>
</tr>
<tr>
<td>Sandstorm Gold</td>
<td>SAND</td>
<td>07/22/16</td>
<td>$4.28</td>
<td>-17.2%</td>
<td>0.0%</td>
<td>52.3%</td>
<td>Buy up to $8</td>
</tr>
<tr>
<td>Dynacor Gold Mines</td>
<td>DNG-T</td>
<td>08/19/16</td>
<td>$1.94</td>
<td>-31.9%</td>
<td>0.0%</td>
<td>50%</td>
<td>Buy up to C$4</td>
</tr>
<tr>
<td>Orezone Gold</td>
<td>ORE-V</td>
<td>10/21/16</td>
<td>$0.68</td>
<td>-9.3%</td>
<td>0.0%</td>
<td>50%</td>
<td>Buy up to C$0.75</td>
</tr>
<tr>
<td>Teranga Gold</td>
<td>TGZ-T</td>
<td>10/31/16</td>
<td>$2.86</td>
<td>-45.5%</td>
<td>0.0%</td>
<td>50%</td>
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</tr>
<tr>
<td>Spark Therapeutics</td>
<td>ONCE</td>
<td>12/22/16</td>
<td>$78.16</td>
<td>65.1%</td>
<td>0.0%</td>
<td>50%</td>
<td>Buy up to $60</td>
</tr>
<tr>
<td>Invitae</td>
<td>NVTA</td>
<td>01/19/17</td>
<td>$9.68</td>
<td>21.8%</td>
<td>0.0%</td>
<td>50%</td>
<td>Buy up to $12</td>
</tr>
</tbody>
</table>

### Cryptocurrencies

<table>
<thead>
<tr>
<th>NAME</th>
<th>SYM</th>
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<th>STOP-LOSS</th>
<th>ACTION TO TAKE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bitcoin</td>
<td>BTC</td>
<td>04/18/16</td>
<td>$4,198.33</td>
<td>880.9%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $3,500</td>
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<tr>
<td>Ether</td>
<td>ETH</td>
<td>04/18/16</td>
<td>$303.11</td>
<td>3267.9%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $400</td>
</tr>
<tr>
<td>Monero</td>
<td>XMR</td>
<td>09/15/16</td>
<td>$48.86</td>
<td>477.5%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $60</td>
</tr>
<tr>
<td>Steem Power</td>
<td>SteemPower</td>
<td>11/23/16</td>
<td>$1.30</td>
<td>1062.8%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $2.50</td>
</tr>
<tr>
<td>Lykke</td>
<td>LKK</td>
<td>11/23/16</td>
<td>$0.39</td>
<td>736.8%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.10</td>
</tr>
<tr>
<td>NEO</td>
<td>NEO</td>
<td>02/16/17</td>
<td>$46.92</td>
<td>37286.5%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $2</td>
</tr>
<tr>
<td>Peerplays</td>
<td>PPY</td>
<td>11/23/16</td>
<td>$10.58</td>
<td>717.6%</td>
<td>0.0%</td>
<td>None</td>
<td>Hold</td>
</tr>
<tr>
<td>Factom</td>
<td>FCT</td>
<td>03/16/17</td>
<td>$17.66</td>
<td>320.5%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $50</td>
</tr>
<tr>
<td>Storj</td>
<td>STORJ</td>
<td>04/20/17</td>
<td>$1.63</td>
<td>386.1%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.50</td>
</tr>
<tr>
<td>Ethereum Classic</td>
<td>ETC</td>
<td>05/18/17</td>
<td>$14.26</td>
<td>27.9%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $25</td>
</tr>
<tr>
<td>Ripple</td>
<td>XRP</td>
<td>05/25/17</td>
<td>$0.18</td>
<td>-34.2%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.30</td>
</tr>
<tr>
<td>Omise Go</td>
<td>OMG</td>
<td>08/07/17</td>
<td>$6.51</td>
<td>122.2%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $6</td>
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<tr>
<td>Gas</td>
<td>GAS</td>
<td>08/14/17</td>
<td>$34.84</td>
<td>53.9%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $30</td>
</tr>
<tr>
<td>NAME</td>
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<tr>
<td>Iconomi</td>
<td>ICN</td>
<td>05/22/17</td>
<td>$2.99</td>
<td>219.0%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $1.25</td>
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<tr>
<td>NEM</td>
<td>XEM</td>
<td>05/25/17</td>
<td>$0.25</td>
<td>3.9%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.30</td>
</tr>
<tr>
<td>Dash</td>
<td>DASH</td>
<td>05/25/17</td>
<td>$200.48</td>
<td>51.1%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $140</td>
</tr>
<tr>
<td>Wings</td>
<td>WINGS</td>
<td>06/02/17</td>
<td>$0.55</td>
<td>21.6%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.50</td>
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<tr>
<td>Lisk</td>
<td>LSK</td>
<td>06/02/17</td>
<td>$2.29</td>
<td>76.2%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $1.50</td>
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<tr>
<td>Waves</td>
<td>WAVES</td>
<td>06/26/17</td>
<td>$4.92</td>
<td>23.0%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $4</td>
</tr>
<tr>
<td>Basic Attention Token</td>
<td>BAT</td>
<td>06/07/17</td>
<td>$0.21</td>
<td>-21.4%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.35</td>
</tr>
<tr>
<td>Bitshares</td>
<td>BTS</td>
<td>06/21/17</td>
<td>$0.16</td>
<td>-50.5%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.40</td>
</tr>
<tr>
<td>Syscoin</td>
<td>SYS</td>
<td>06/21/17</td>
<td>$0.12</td>
<td>-43.0%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.30</td>
</tr>
<tr>
<td>Zcoin</td>
<td>XZC</td>
<td>06/21/17</td>
<td>$10.85</td>
<td>-32.3%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $20</td>
</tr>
<tr>
<td>Golem Network</td>
<td>GNT</td>
<td>06/28/17</td>
<td>$0.26</td>
<td>-52.4%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.60</td>
</tr>
<tr>
<td>Siacoin</td>
<td>SC</td>
<td>06/28/17</td>
<td>$0.01</td>
<td>-58.5%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.016</td>
</tr>
<tr>
<td>MaidSafeCoin</td>
<td>MAID</td>
<td>06/28/17</td>
<td>$0.37</td>
<td>-21.4%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $0.50</td>
</tr>
<tr>
<td>Aragon</td>
<td>ANT</td>
<td>06/28/17</td>
<td>$2.42</td>
<td>-8.0%</td>
<td>0.0%</td>
<td>None</td>
<td>Buy up to $2.50</td>
</tr>
</tbody>
</table>

“Current Price” reflects the price as of market close on August 14, 2017. Cryptocurrency prices are updated weekly. Precious metal coin prices are updated monthly.