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Our 2 Mid-Month Recos Could *Both* Be 1,000% Gainers Going Forward

by Juan Villaverde

Earlier this month, we sent you two important alerts. The first was for **Polygon (MATIC, "B")**, and the second was for **Arbitrum (ARB, Not Yet Rated)**. If you didn't act when we sent those alerts, not a problem. Both are still "Buys," especially considering we're experiencing a near-term correction at the moment.

We rushed you these alerts ahead of time because we wanted you to get in as soon as possible, but we didn't have time to explain *why.*

For both cryptos, their story begins with **Ethereum (ETH, "B")**, the world's first and most widely used smart-contract blockchain. Which has been an astonishing success.

Three years ago, the TVL —the total value of assets locked up on the Ethereum blockchain — was under $500 million. TVL is one of the best measures of usage and adoption, particularly in DeFi.

Today, it's over $25 billion.

But as a direct result of that blazing growth, Ethereum has often been a victim of its own incredible success. Because when the market is hot, transaction volumes overload the network, slowing processing speeds.

And as more users pile in, network fees shoot up, discouraging additional customers — and entirely ruling out some very price-sensitive sectors of the market.

All these issues make it harder for Ethereum to live up to its global promise.

This problem isn't new. Indeed, it dates back to the early days of the DeFi revolution.

Back then, developers thought the most promising solution was to design whole, new base-layer blockchains dubbed "Ethereum Killers," though time proved these chains wouldn't replace Ethereum but could operate beside Ethereum.

From the ground up, they would be engineered for speed and efficiency.

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ABOUT

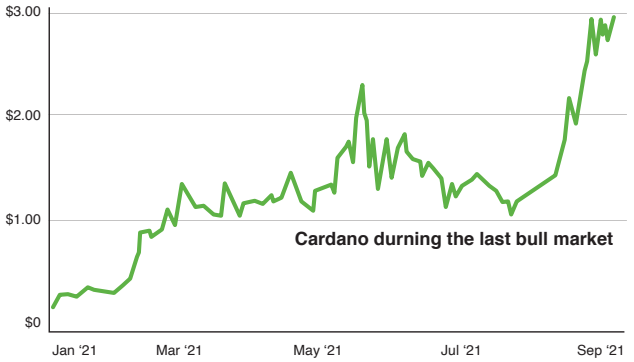
When econometrician and pro trader Juan M. Villaverde applied his algorithms to Bitcoin years ago, he discovered a regular cyclical pattern. He has used it to build the world's first crypto timing model based on cycles which picks the top and bottom of major crypto booms and busts.

Chris Coney is among the world's most experienced educators in the field of DeFi and cryptos.

One of them was **Cardano (ADA, "B-")**. And during the last bull market, it shot up 1,200% in *fewer* than nine months!

This clearly shows the *amazing profits* that can be earned helping Ethereum scale up a couple orders of magnitude without slowing down.

13-to-1 Gains in 9 Months
Daily Prices. Pioneering a faster, better Ethereum.



However, Ethereum has far more developers and programmers constantly working on improvements than any other blockchain. And a lot has happened since then.

A few months ago, for example, it completed the biggest, most complex upgrade in the history of crypto. When it switched from Bitcoin-style, proof-of-work consensus to vastly more energy-efficient proof-of-stake consensus.

As a consequence, Ethereum can now process about 15 transactions per second, or TPS. That's twice as fast as Bitcoin — which weighs in at about 7 TPS.

The hope was that the new and improved proof-of-stake Ethereum would be able to avoid the bottlenecks previously caused by heavy traffic. But it didn't pan out.

Not because the technology failed. On the contrary, it performed superbly. Processing capacity increased as expected. The problem was … market demand increased even *more*.

The recent memecoin craze, for example, already overloaded Ethereum so much that transaction processing slowed dramatically. Of course, network usage fees also shot up — as high as $10 per transaction and $100 to swap coins.

Sound familiar? Much the same thing happened when the non-fungible token craze overloaded Ethereum back in 2021. Once *again*, it is becoming too expensive and slow to use.

And that's reopening the door to new Cardano-in-2021-type opportunities — to cash in on a fresh round of Ethereum scaling solutions.

That's why we recommended it last month. And in the time since, it's already up 34%!

But in this bull market, there's another sector that's even more promising: Layer-2 blockchains.

Ethereum is like a busy highway. High trading volume is akin to rush hour traffic leaving a major city. Many cars (transactions) are trying to reach their destinations (to be confirmed on the blockchain).

However, the highway has limited capacity. When too many cars show up, traffic jams and delays abound. The same thing happens on Ethereum when too many people try to transact at once.

Now, imagine that above the highway, someone built a high-speed elevated train track. This is a Layer-2 blockchain.

Its departure and arrival points are the same as the highway. But because the train can carry so many more passengers — and is not caught up in traffic — it's cheaper and faster than driving.

By using a second blockchain layer, and only periodically validating its transactions on the base chain, a Layer-2 can perform transactions cheaper and faster than the base layer. This allows for more and faster throughput.

Arbitrum (ARB) Is a Layer-2 Darling

One thing that sets it apart from other Layer-2 protocols is its use of optimistic rollups. This means transactions are "rolled up" into a single batch and confirmed off-chain. These rollups are called optimistic because transactions are initially assumed to be valid.

Then, at set increments, transactions go down to the Ethereum base chain for verification and settlement. At this step, transactions can be disputed if they turn out to be fraudulent.

On Arbitrum, users enjoy faster and cheaper transactions — without having to compete for limited space on the main network.

And those increased transaction speeds on Arbitrum have a compounding effect. Say, for example, Ethereum does 10 transactions per second. And Arbitrum also does 10 transactions per second.

These figures compound to provide 10 × 10 = 100 transactions per second.

As for the fees, just see for yourself …

Arbitrum's Low Fees

Transaction Type	Ethereum	Arbitrum
Swap Fee (on Uniswap)	$30-$100	$1-$5
Send Fee	$3-$6	10 cents - 20 cents

As you can see, fees on Arbitrum are vastly cheaper than Ethereum. Moreover, such radical cost savings opens the floodgates of adoption to even more decentralized applications.

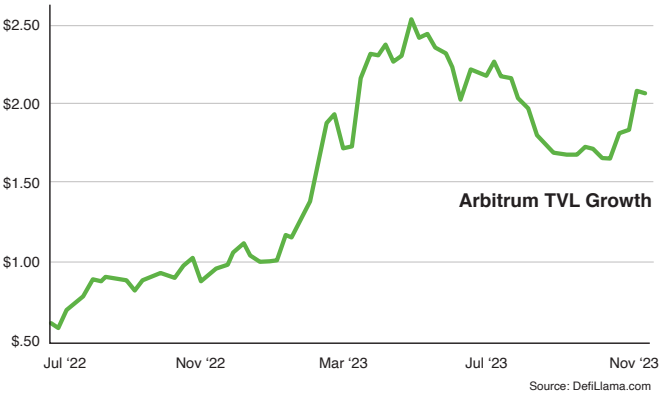
And that's attracted a lot of developers who have moved over to Arbitrum, building dApps like …

- Perpetual decentralized exchanges — or DEXes — like GMX and Chronos, which allow derivatives trading.
- Conventional DEXes alike **Uniswap (UNI, "B-"), Camelot (GRAIL, Not Yet Rated), Sushiswap (SUSHI, "B-")** and **Curve (CRV, "C+")**, which you can use to swap assets.
- Lending protocols like **Aave (AAVE)** and **Radiant Capital (RDNT, Not Yet Rated)** that allow you to stake assets for a yield. In addition, you can borrow on those staked assets to invest in other assets.
- Gambling platforms that are decentralized and provably fair, which is also known as GambleFi. An example is WINR Protocol.

At the end of the day, what end-users directly interact with is a protocol, not a blockchain. And the above tells us that users are increasingly flocking to protocols running on Arbitrum.

Because of this, it's no surprise to see that Arbitrum's TVL has basically been on the rise since mid-2022.

ARB Usage Rises 234% in 17 Months
In Billions. Weekly time series



Source: DefiLlama.com

And now that crypto markets are finally reawakening from their post-bear market slumber, it's time to buy. Indeed, that's why I sent you a special trade alert a few days ago to buy ARB.

And as I said, it's not too late to get in if you haven't yet.

However, unlike the other cryptos in the Weiss Crypto Investor Model Portfolio, Arbitrum is not listed on any major centralized crypto exchange.

Because of this, it's going to require some DeFi navigation to get it into your wallet.

How to Buy Arbitrum in 3 Simple Steps

1. Enable Arbitrium in your MetaMask wallet.
2. Send **Ethereum (ETH)** to Arbitrum (aka bridging) and switch your wallet to Arbitrum.
3. Buy ARB on the Arbitrum network.

We pulled 0.02 ETH for gas fees in the example below. That's about $40 worth at current market rates — *more* than enough to cover this transaction and then some.

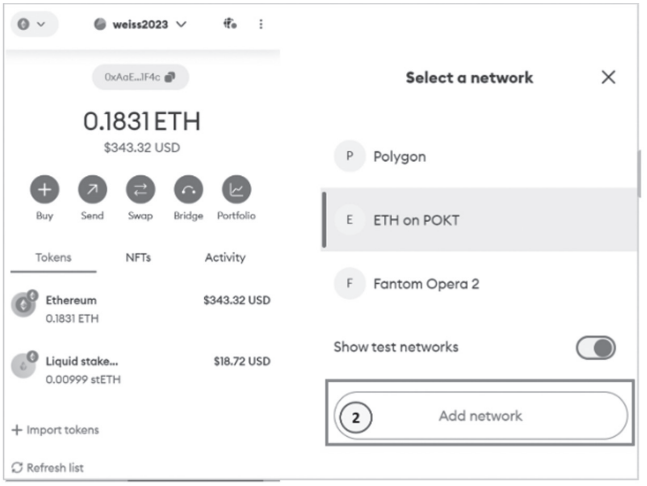
And don't worry if these steps sound complicated. They're not, and we'll walk you through each one.

Step 1: Enabling Arbitrium in MetaMask

To buy native ARB, you must first make sure your

MetaMask wallet is connected to the Arbitrum network. Here's how to do that …

Open your MetaMask wallet. The following screen on the left (a) should pop up:

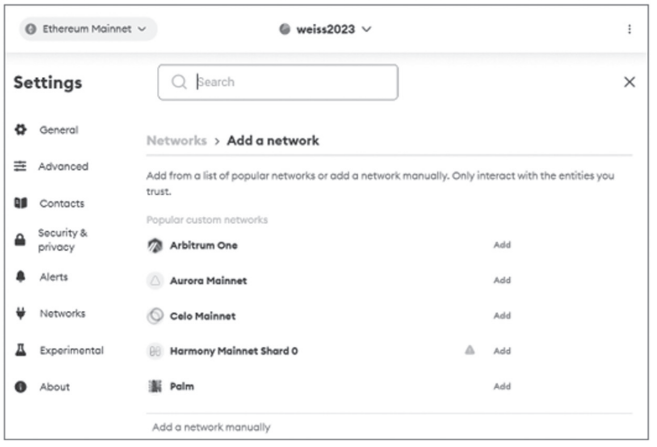


(a) (b)

Observe the Ethereum icon in the top-left corner (the diamond shape inside the blue circle). This confirms you are on the Ethereum network, which is our starting point.

Click on that icon to open the dropdown menu, and the screen on the right (b) will pop up. Then, click on **Add network**. It's marked by the yellow 2 at the bottom of the screenshot above.

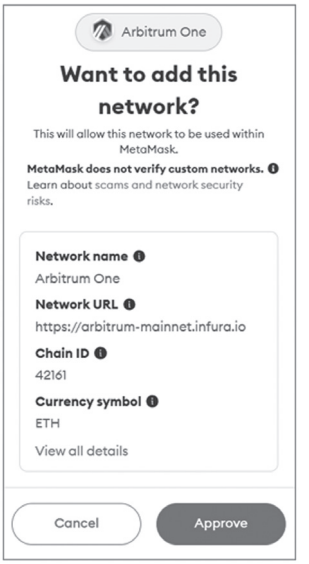
The following screen should then open as a tab on your browser — not your MetaMask wallet extension.



Click on **Networks** on the left sidebar under **Settings**.

Click on **Add a network**.

Then, click **Add** on **Arbitrum One**. The following screen should pop up:



Click on **Approve** at the bottom, and the Arbitrum network will be added to your wallet — no muss, no fuss.

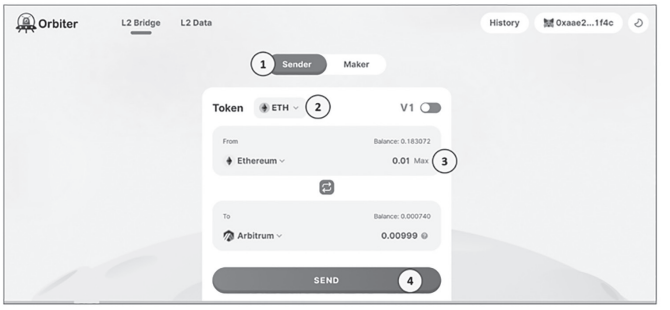
Step 2: Sending ETH to Arbitrum (aka Bridging)

Just like Ethereum, Arbitrum requires gas to do stuff. And gas on Arbitrum is paid in ETH.

But remember, we're on the Arbitrum network now, not Ethereum. So, we'll need to turn our native ETH into wrapped ETH so it can live on the Arbitrum network, ready to swap into ARB.

To that end, we'll need to bridge some ETH from Ethereum to Arbitrum. For this process, I've chosen a third-party bridge called Orbiter.

To start, visit https://www.orbiter.finance/?source=Ethereum&dest=Arbitrum&token=ETH, and you should see the following screen:



Click **Connect a Wallet** on the top right to connect your MetaMask wallet.

Check to verify that **Sender** is selected on the top of the transaction box, marked above by the 1.

The token you want to transfer is ETH. When we tested this, it showed ETH as the default asset. If it

doesn't do that for you, just click the dropdown menu marked by the 2 above and select ETH.

Make sure the **From** field (marked by the yellow 3) is set to Ethereum as well. This refers to the network, not the token.

Enter the amount of ETH you want to transfer over, plus an additional 0.02 ETH for gas fees.

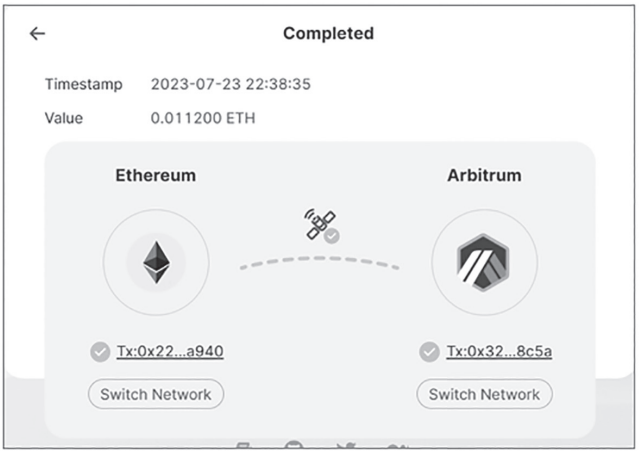
Once you've entered the amount of ETH you'd like to bridge, make sure the **To** field underneath is set to Arbitrum.

Then, hit **Send**.

After that, you'll see a pop-up showing your withholding (i.e., gas) fee and security code in the next screen. The fee pays for the transaction, while the security code can be used in the event something goes wrong.

Once you've reviewed the fees, click **Confirm and Send**.

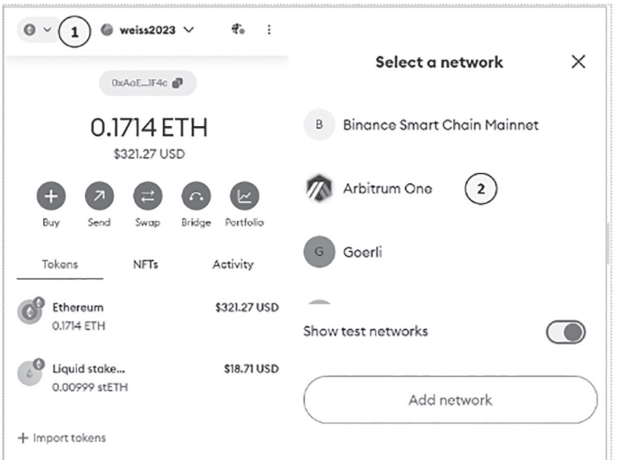
Your MetaMask extension should now open and prompt you to confirm the transaction there. When everything is confirmed and approved, you should see the following screen:



Note: For Arbitrum, gas fees typically cost 15 cents per transaction and 30 cents per swap. So, $40 worth of ETH should be more than enough for our purposes.

The next thing to do is switch your MetaMask to the Arbitrum network.

Open your wallet by clicking MetaMask's fox icon on your browser extension, and you should see the screen on the left (a):

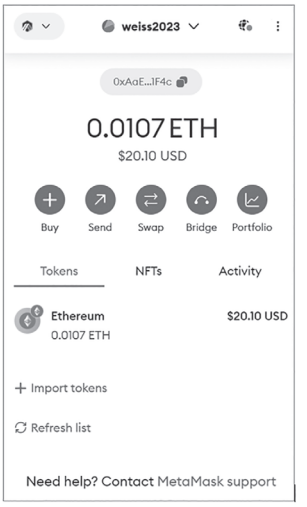


You'll likely see the Ethereum icon in the top-left corner, marked by the yellow 1 in the image above. Click it to open the dropdown menu shown on the right screen (b).

Click on **Arbitrum One**, marked by the yellow 2 above, to switch to the Arbitrum network. Scroll down the list if you can't find it initially.

Step 3: Buying ARB on the Arbitrum Network

After the previous steps, your wallet screen should look like this:



Notice the Arbitrum icon in the top-left corner (where the Ethereum icon used to be). That means you're on the right network!

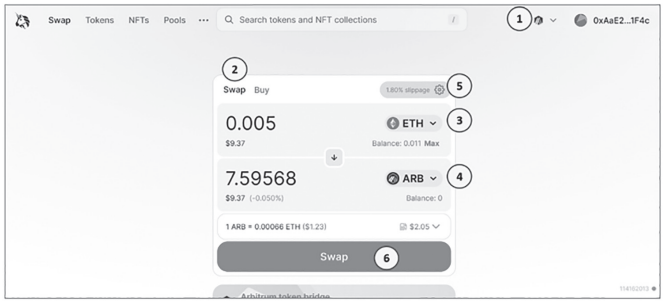
Underneath, the Ethereum balance should reflect the amount you bridged over previously. You will use these funds to purchase ARB.

Now, visit https://app.uniswap.org/?chain=arbitrum to navigate to **Uniswap (UNI)**, the largest decentralized exchange.

Cast your eyes to the upper right of the Uniswap home page and …

Click **Connect Wallet** to connect your MetaMask.

You should then see the following screen:



You should see the Arbitrium icon on the top right, marked by the yellow 1 in the screenshot above. (If it isn't, click on that dropdown menu and select the Arbitrum network.)

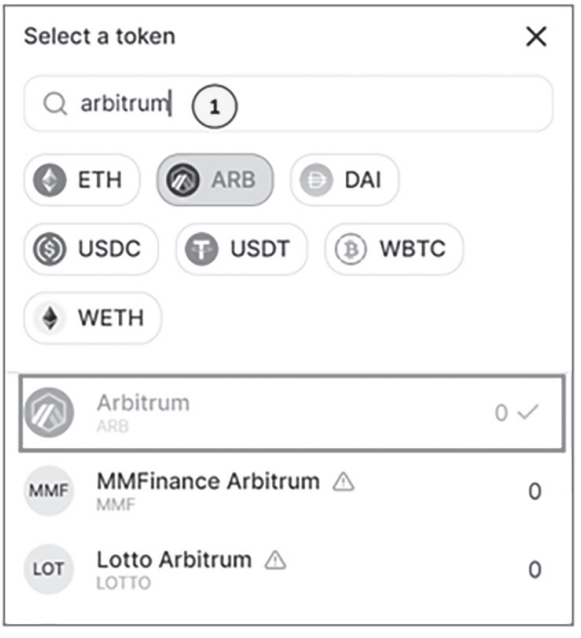
At the top of the transaction box, make sure the **Swap** tab — marked by the yellow 2 — is selected.

In the top field marked by the yellow 3 …

Select ETH as your starting asset and enter the amount of ETH you want to use to buy ARB.

If all you have in your wallet is the ETH you plan on using for this trade, you can select **Max** to put the full balance.

In the second field, select **ARB** by clicking the dropdown menu marked by the yellow 4, and typing "Arbitrum" into the search bar, as shown below:



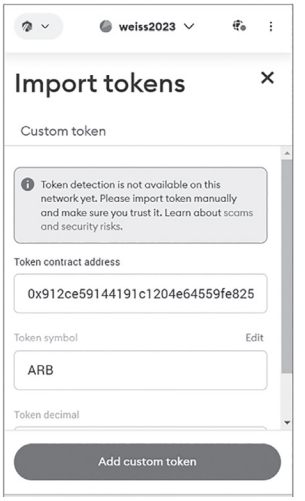
Once the second field is showing ARB as the asset you want to receive …

Click on **Swap**, marked by the yellow 6 in the previous screenshot.

A pop-up will appear with the transaction details, including gas fees (which should be around 30 cents). Please review the information before moving forward. When you're sure everything looks correct, click **Confirm Swap**. Then, approve the transaction in your MetaMask wallet.

And that's it!

Note: You may not be able to *see* your ARB in your MetaMask at first. If this happens to you, don't panic — you simply need to make the tokens visible.

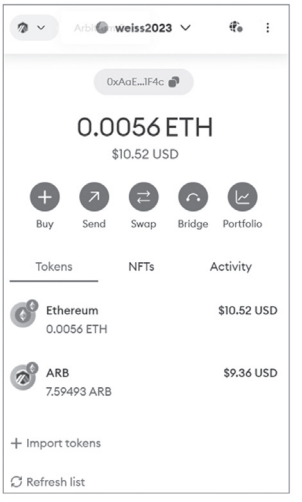


Here's how … Navigate back to the **Token** screen of your MetaMask wallet, then click **Import Tokens** at the bottom. You should then see the following screen:

Copy and paste the following token address for ARB into the **token contract address** field, shown above:

0x912ce59144191c1204e64559fe8253a0e49e6548

"ARB" should then automatically appear in the **Token symbol** field. Click **Add custom token** at the bottom.



After all is done, your wallet screen should look like this:

Now, your wallet balances should reflect the precise amount of ARB we said to buy, plus a small ETH reserve for gas fees on Arbitrum.

Another important note: The tokens and respective balances displayed on your wallet on Arbitrum should

differ from those on Ethereum. There are technical reasons for this, so *don't panic* if yzou can't see your Ethereum tokens on the Arbitrum network. This is quite a normal thing.

Polygon (MATIC): Another Possible 1,000% L2 Gainer

As you've seen, the main benefit of Layer-2 is scalability. Fees can run $10, $25 or even $50 per transaction on Ethereum when its network overloaded.

Polygon knocks those lofty prices all the way down to just a few cents per transaction.

Plus, processing speeds are far superior. Polygon can complete a transaction in about two seconds — compared to minutes (and sometimes much longer) on Ethereum, depending on how congested the network is.

Beyond fast, cheap processing, another key benefit is: developers *love* Polygon.

That's because its protocols are nearly identical to Ethereum's. This makes it easy for them to create new decentralized apps on Polygon — using their existing skill set and experience — *without* having to learn new programming languages.

This is a very big deal, because Ethereum has a vastly larger community of developers than any other crypto. And the more dApps they create that are on a blockchain, the more users will engage.

Polygon is also fully compatible with popular Ethereum tools — such as MetaMask, MyCrypto wallet manager and others. **This means *any* application or user comfortable with Ethereum should be able to move over to Polygon with no hassle.**

Polygon's core developer team and technical advisers also include many of Ethereum's best and most famous developers, including even some of its founders.

Additional contributors from all over the world help ensure the security of the public blockchain.

And high security is an absolute prerequisite for DeFi apps that routinely handle billions of dollars in user funds.

A Rousing Success So Far

This unique constellation of benefits and advantages has enabled Polygon to quickly capture a large and growing share of the DeFi world.Since the project launched in 2020, 53,000+ dApps in DeFi have jumped on the Polygon bandwagon.

These include Aave**,** one of the biggest DeFi money markets on Ethereum, as well as Curve and SushiSwap, two of Ethereum's leading decentralized exchanges.

Why play both MATIC and ARB? Because MATIC has a bit more price history and is already an L2 darling, so it's a less risky investment. On the other side, ARB is newer and untested in a bull market, meaning while it's riskier and more prone to big swings, it's profit potential is bigger.

Going for both means we're still lined up for big profits … while mitigating a bit of risk by setting aside some capital to trade a larger L2 play. But honestly, *both* have the potential for 1,000% gains in the coming bull run, and we want you ready to collect as much of that as possible should it bear out.

Indeed, Polygon may well turn out to be the vehicle through which Ethereum solidifies its position as the backbone of the future internet — a decentralized internet of blockchains, called Web 3.0, or just web3.

That both ARB and MATIC have the potential for 1,000% gains merely reflects how critical faster, cheaper processing on Ethereum is to the present and future of the crypto revolution. We recommended MATIC on Nov. 14. And if you followed that guidance, chances are you bought it on a centralized crypto exchange like Kraken or Coinbase. (Or Binance, if you're outside North America).

Please keep in mind that the centralized nature of these exchanges makes them more vulnerable to hack attacks. Plus, when you store assets on centralized exchanges, you are technically *not* in control of your own crypto.

That's why I recommend using exchanges such as these only as onboarding ramps — an easy way to turn your fiat into crypto. Then, for better security and control of your own crypto, transfer your balance over to a crypto wallet, like MetaMask, or Exodus.

Weiss Ratings Crypto Investor Model Portfolio

Recommendation	Reco Date	$ Cost	Quote ($) as of 11/29/23	Total % Return
Crypto Positions				
Bitcoin (BTC/USD)*	4/26/19	$8,629.30	$37,810.00	338.16%
Pax Gold (PAXG)	8/26/22	$1,732.68	$2,024.70	16.85%
Cardano (ADA)	10/27/23	$0.29	$0.38	31.03%
Solana (SOL)	10/27/23	$32.00	$59.13	84.78%
Polygon (MATIC)	**11/13/23**	**$0.93**	**$0.75**	**-19.35%**
Arbitrum (ARB)	**11/16/23**	**$1.08**	**$1.00**	**-7.41%**
Stock Positions				
Grayscale BTC Trust (GBTC)	3/26/21	$49.84	$31.51	-36.8%
Grayscale Ethereum Trust (ETHE)	6/8/21	$24.85	$17.12	-31.1%
Coinbase (COIN)	9/13/21	$241.00	$128.27	-46.8%
Globant (GLOB)	11/24/21	$240.03	$215.55	-10.2%

** Bitcoin's $ Cost and Total % Returns columns reflect average of initial purchase 4/26/19 ($5,217.25) and subsequent buys 8/7/19 ($11,901.45), 8/30/19 ($9,584.37), 10/2/19 ($8,266.70), 11/1/19 ($9255.15), 4/24/20, ($7,550.90)

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