YOUR GUIDE TO ETHEREUM

AND HIGHER CRYPTO YIELDS

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weiss crypto

Ethereum (ETH) has long surpassed **Bitcoin (BTC)** as the world's most widely used cryptocurrency. It has not surpassed Bitcoin in terms of market cap. But it has far surpassed it in terms of the number of transactions, usage and variety of applications.

The main reason …

Bitcoin's function has been relatively limited — mostly as a store of value, often called "gold 2.0."

Ethereum's primary function has been to support what's called "smart contracts" — self-executing contracts converted into apps.

The contractual terms between the parties, such as buyer and seller, are written directly into lines of code that are verified through the blockchain.

The code then controls the execution of the transactions.

This is big.

Imagine an entirely new kind of world in which gross inequalities, dictatorial powers, manipulation by power groups, flagrant censorship, violations of personal privacy, mass data breaches and many of the other ills of today's financial system are mostly eradicated.

Imagine a world in which hundreds of millions of hard-working families get a fair yield for their money and are charged an equally fair rate on credit they need to start a business.

Imagine a world in which billions of people, currently on the fringes of the financial system or left out entirely, are given easy and immediate access to banking, insurance and investing.

Well, you don't have to imagine anymore.

Because this is the world that's possible thanks to decentralized finance

(DeFi) and the smart contracts that make DeFi possible.

Indeed, smart contracts enable agreements to be enforced — and transactions to be executed — without the oversight of a central authority and without the laborious due diligence or vigilance needed with traditional contracts.

This is the grand transformation that's not only possible, but is already beginning to happen, mostly thanks to the infrastructure provided by the Ethereum network.

This is the world that's already beginning to emerge, making the Ethereum cryptocurrency more and more useful, dominant and …

Valuable!

Much of this activity is still experimental, to be sure. But that's what makes it especially exciting for investors who want to jump in early.

That's why we've written this guide and why we've set it up to help you learn three essential elements of Ethereum investing:

First, WHERE to buy Ethereum. We name our top two picks among the highest-rated crypto exchanges. If you don't already have an account, we give you access to simple instructions on how to open one almost immediately.

And even if you already have an account, we show you how to take advantage of all the money- making power it has to offer.

Second, WHEN to take profits on your Ethereum. This is what most investors get wrong. Either they miss the opportunity to take profits before a big bear market, or worse, they wind up selling only after it's too late, missing even bigger opportunities when Ethereum surges again.

We give you simple guidelines to follow.

Third, HOW to use Ethereum to earn extra income. Or better yet, how to convert it into things that give you high, double-digit yields.

While millions of investors struggle to eke out meager yields on bank CDs or money markets, we show you how you can use decentralized finance (DeFi) to make 20 times, 25 times even 30 times more.

Where to Buy Ethereum

As the second largest cryptocurrency by market cap, Ethereum is listed on most major exchanges. Indeed, most major centralized exchanges operate on the Ethereum network.

For investors who reside in the United States, our two favorite go-to exchanges are Coinbase and Kraken.

If you've already bought cryptocurrencies before, you'll probably be familiar with how to proceed from here.

But if you're new, or would like a refresher, we walk you through the steps for creating a new account in our informational videos on both exchanges. Call us at 1-877-934-7778 for information on where to find the videos.

When to Take Profits on Ethereum

To help you make the critical decision on when to take profits, we use our Crypto Timing Model, based on our comprehensive study of crypto cycles.

All major asset classes — stocks, bonds and commodities — conform to cyclical patterns to some degree. But the crypto market cycles are particularly regular and predictable.

The main reason: Inside Bitcoin's blockchain code is a pre-programmed mechanism that automatically cuts the supply of new Bitcoin by 50% roughly every four years.

This mechanism, called the "Halving," helps drive Bitcoin prices higher. And since Bitcoin continues to be the dominant crypto in terms of market cap, nearly all the others naturally follow approximately in tandem.

The end result is a relatively regular four-year Bitcoin cycle.

Understanding this cycle is critical to timing major turns in the crypto market, especially when it comes to pinpointing the end of a massive bull market.

That single piece of intelligence could make a very significant difference in your results.

You don't have to pick every twist and turn. And you certainly don't have to watch the market 24/7.

All it takes is one simple, but all-important move: sell AFTER the final phase of the bull market … and then wait out the grueling bear market that's likely to follow.

How exactly can you do that?

Let's take a closer look …

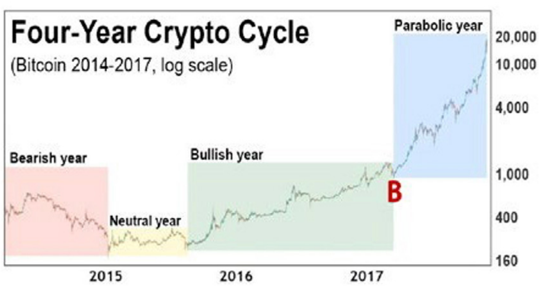
Within the four-year Bitcoin cycle, we also see a regular pattern of four phases, each lasting from less than 320 days to as much as a year. (For the sake of simplicity, let's call each phase a "year.")

Year one is bearish, taking most crypto prices down dramatically, sometimes as much as 90%.

Year two is neutral, as crypto markets gyrate in a broad sideways pattern.

Year three is bullish, driving most cryptos back up to their prior all-time highs, if not beyond. But anyone who takes profits prematurely at the end of this phase is likely to capture no more than a small fraction of the potential gains, because …

Year four is parabolic, a bull market on steroids. For example, in the parabolic year of the bull market in 2017, Bitcoin surged from about $1,000 to nearly $20,000, while Ethereum skyrocketed from $8.60 to almost $1,400.

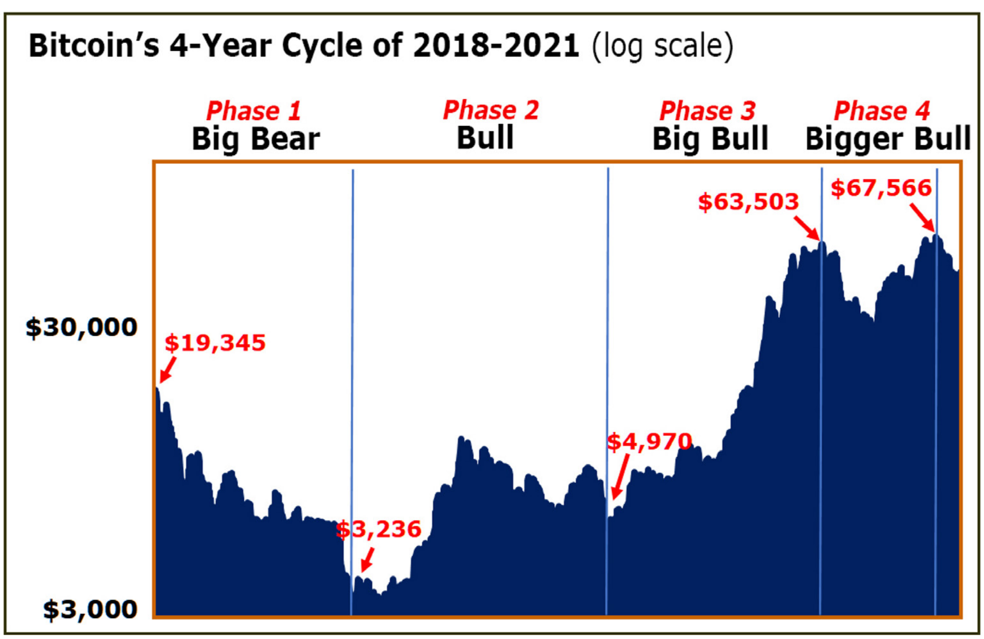


Take a look at how that unfolded, starting with year one in 2014 …

This clearly illustrates the turning points of each phase from a previous Bitcoin four-year cycle from 2014 to 2017:

Year one (bearish) was 2014, year two (neutral) was 2015, year three (bullish) was 2016 and year four (parabolic) was 2017.

And you can see a similar pattern in the latest bull market cycle from 2018-2021:



Compared to the prior four-year cycle, there are some differences. But the pattern is remarkably similar.

There were four phases, averaging about one year in duration.

- Again, the first phase is a big bear.
- The second phase is a bull.
- The third phase is a big bull.
- And the fourth phase is a "bigger bull," at least in the sense that Bitcoin made brand new highs.

Ethereum follows approximately the same pattern, albeit with some leads and lags.

The big difference with Ethereum is not so much in the timing. It's in the magnitude of the price movements. **Ethereum tends to fall more than Bitcoin in bear markets and rise as much as three times more in bull markets.**

Plus, the scales in the above chart are deliberately compressed with a "log scale" — so you can better see the critical transitions from the bear year to the neutral year and then to the bullish year.

Moreover, we see four new powerful forces ready to push the market higher during the next upswing …

1. The Federal Reserve's wild money printing, likely to resume in this election year.
2. The growing interest — and investments — by major institutions like Tesla (Nasdaq: TSLA), Fidelity, Goldman Sachs (NYSE: GS), Morgan Stanley (NYSE: MS), PayPal (Nasdaq: PYPL), Mastercard (NYSE: MA) and Visa (NYSE: V), all jumping into cryptocurrencies. The most

recent development here is the approval of 11 spot Bitcoin ETFs, which saw $2.4 billion in trading volume in their first 24 hours and opened the door to crypto to a tidal wave of new investors.

Applications for a spot Ethereum ETF are already sitting at the Securities and Exchange Commission, awaiting approval.

3. The explosion of new, real-world practical applications for blockchain technology, especially DeFi, most of which lives on the Ethereum blockchain, plus …

4. A more user-friendly experience, making investing and trading more accessible — not just to hundreds of thousands of investors, but potentially to hundreds of millions.

These powerful forces are likely to send the crypto market higher than ever before.

How can you best take advantage of it?

The key lesson from prior four-year cycles is this: **In a market going parabolic, do not sell prematurely. Do not assume the parabolic phase is over just because prices seem astronomically high.**

History shows that, even after it feels as if the market couldn't possibly go any higher, prices can continue soaring as much as two, three or even four times those already-high levels.

So, here's what we're planning to do …

First, we will wait for the parabolic phase to complete at least 320 days.

Second, we will wait for the market itself to give us a signal, which typically comes with a price correction that pierces below critical metrics that we track.

ONE WORD OF WARNING: Don't expect our alert to get you out at the exact top of the market. In fact, we deliberately avoid trying to pick the top.

Here's why:

As long as the market continues exploding higher, historical experience shows that it's almost impossible to pinpoint the top without missing out on the last few months — the most profitable months of all.

That's why we're glad to wait for the market to confirm a probable top — typically what happens when there's a sharp correction after the first 320 days of the parabolic year.

Even if that means giving back as much as 10%, 20% or 30% of our gains, we feel it's a small price to pay for the opportunity to make two, three or possibly four times more simply by sticking with the parabolic rise.

Must you take most of your profits off the table at that time? Couldn't you just ride it out and hold on for the long-term?

Sure.

Trouble is, much as the bull markets are spectacular, the bear markets can also be severe.

So, with our money, we have no intention of watching passively while the next bear market takes back most of our profits. We don't think you should either.

Instead, be sure to keep an eye on your inbox for our flash alerts.

Plus, you can also check in on our model portfolio anytime for the most up-to-date status on current positions on your exclusive, members-only website.

How to Earn Extra Income on Your Ethereum

Right now, if you put your hard-earned money in bank CDs, Treasury bonds or even high-yield corporate bonds, you'll probably lose money.

That's right. Between low yields and soaring consumer prices, nearly all the money parked in fixed instruments today is giving investors an inflation-adjusted return that's BELOW ZERO. That's in the world of traditional finance.

But in the new world of decentralized finance (DeFi), there's a way to beat the yields you could get on CDs and bonds many times over.

The process for doing this is very different from the way you'd use with a bank or securities firm. In fact, there's no true equivalent in traditional markets. So, pay close attention.

The strategy we're talking about is called ***staking***. In essence …

You lock your crypto assets on the blockchain to earn rewards, which add up to a kind of yield.

Don't worry. If this is all Greek to you, we'll walk you through the basic steps in a moment.

But first, let us explain three critical differences between yield in the traditional world and the returns you get in the crypto world.

Difference No. 1: No intermediaries. With traditional finance, you deposit your funds with a banking or brokerage institutions. They lend or invest your money. And they pay you interest.

Logical? Yes.

But here's the rub: Even if they can make very high yields or profits, all you get is the prevailing interest rate, which in the current era is next to nothing.

And adding big injury to small insults, your principal and interest are denominated in a currency that's mostly going down in value.

In contrast, with decentralized finance, you stake your funds on the blockchain, which is a public asset — never owned or controlled by a bank, broker or corporation of any kind …

Where rates of interest are far higher for the investor ... And far lower for the borrower.

Difference No. 2: All yields are usually variable. In the traditional world, fixed yields are the norm and even with so-called "variable-rate" instruments, the rate does not reset continually.

In decentralized finance, it's the opposite. Virtually all yields are variable, and many are subject to rapid change.

If you're content to make, say, 4% to 6% APR, the changes in yield should not be all that significant.

But if your aim is to grab some of high, double-digit and even triple-digit yields that exist in DeFi, don't be surprised if the gravy train suddenly disappears. (No worries! You can just move on to the next big yield opportunity.)

When you stake Ethereum, the yields (rewards for staking) can also vary considerably.

For example, when there is very little ETH staked in the world, the yields naturally tend to rise as an incentive for more people to stake their ETH.

Conversely, when there's something approaching a surplus of staked ETH, the yields tend to decline.

Difference No. 3: The currency you use could be very volatile. When you deposit or invest U.S. dollars, or any other major currency, you probably don't worry much about its depreciation over time (although you probably should).

In contrast, when you stake a cryptocurrency, fluctuations in its value can be large and rapid.

If it's surging it could multiply your regular returns many times over. If it's plunging, it could wipe out those returns several times over, making a dent in your principal.

Clearly, in rising crypto markets the rapid appreciation in the currency you stake gives you a huge advantage.

But in falling crypto markets, the rapid depreciation can be a big disadvantage. Our recommendation:

If your goal is exclusively to earn yield, use what's called stablecoins, pegged to the U.S. dollar. Even if the value of the dollar declines, the returns you get should easily cover that depreciation.

If your goal is yield plus capital gain, then we recommend a healthy mix of both stablecoins and other cryptos.

It can also be very helpful to know which year of the four-year cycle we're in.

- In the bearish and neutral years, you may want to strictly use stablecoins for staking.
- In the bullish and parabolic years, for funds you can afford to risk, cryptos that are NOT pegged to the dollar can give you the best bang for your buck.

As of this writing, when you stake Ethereum (without using stablecoins), the annual percentage yield (APY) is between 4%-6%.

How to Stake Ethereum

We recommend joining a staking pool.

The main benefit is that you can join with less than the 32 ETH minimum required for investors who stake independently. Pools give you easier access by letting stakers combine their resources.

The second benefit is that the node is operated by someone with the knowledge and experience to keep things running properly.

And you won't have to use massive amounts of storage on your personal computer.

These benefits come with a cost, of course. Yields are somewhat smaller and you relinquish some control of custody to the staking pool operator.

But thanks to smart contracts, custody is fully transparent and verifiable on the blockchain.

You can find a list of staking pool operators here: https://beaconcha.in/stakingServices

If relinquishing control of your crypto doesn't appeal to you, you may also want to try a liquid staking platform, or LSD.

Normally, when you stake your crypto, you lose access to it. But liquid staking allows you to be able to use your crypto assets even when they're locked up.

How? By giving you a liquid staking token, or LST, in return.

Basically, for every ETH you stake, you'll receive one LST pegged to the value of that ETH. So, while your staked ETH is earning you yield, you can turn around and use those LST tokens as you would your ETH.

For example, the LSD platform **Lido (LDO, Not Yet Rated)** will issue 1 stETH for each ETH you stake on it. This stETH is liquid, and you can lend it out or trade it as you wish.

Additionally, liquid tokens like stETH have their own markets and can be traded for other assets like stablecoins.

This means LSD platforms can help you earn yield on the underlying ETH … while also maximizing your capital usage with the liquid tokens.

Top LSD Platforms

Name	Staked ETH	TVL	7d Change	30d Change	Market Share	LSD	ETH Peg	Mcap/TVL	LSD APR
1 Lido	6,493,692	$11.65b	-2.31%	+6.62%	73.30%	stETH	-0.08%	0.15	5.00%
2 Coinbase Wrapped Staked ETH	1,132,743	$2.1b	-1.03%	-0.51%	12.79%	cbETH	-0.34%		3.73%
3 Rocket Pool	685,504	$1.23b	+7.10%	+33.62%	7.74%	rETH	+0.03%	0.77	5.17%
4 Frax Ether	214,514	$385.01m	+12.45%	+38.52%	2.42%	sfrxETH	-0.05%		6.17%
5 StakeWise	90,350	$162.13m	+0.50%	+3.02%	1.02%	sETH2	-0.52%	0.16	5.47%

Figure 1: *Top LSD platforms. Source: DefiLlama.*
Click here to see full-sized image.

Top LSD platforms by total value locked are listed in the screenshot above. Please note that each LSD platform will issue a different receipt token for the ETH staked on them.

For example:

1. Lido issues stETH
2. Coinbase (COIN) issues cbETH
3. **Rocket Pool (RPL, Not Yet Rated)** issues rETH

All these different forms of liquid staked ETH will have different markets and liquidities, with the largest being stETH.

So, if you stake with Lido for stETH, you will likely be more able to trade and lend out stETH on various platforms. This is because it is the most widely adopted in DeFi.

Risks of LSDs

While there are plenty of positives to LSD staking, there are, of course, some risks.

To start, each LSD platform has smart contract risks. When you stake your funds on an LSD platform, you are essentially putting your ETH into their smart contract. And these smart contracts are prone to hacks and bugs.

So, stick to the top LSD platforms that have operated for years. These are likely to be more secure and trustworthy.

Next, this is not a personal risk, but more of an ecosystem one. As more and more ETH gets staked with one validator (e.g., Lido), they gain more governance power over the Ethereum network.

This results in a centralization of power, which allows these top validators to censor and reorder transactions and incentivize the usage of their own pools. In the long run, this is not good for the decentralization of Ethereum.

However, new LSD competitors are always coming up.

You can find a list of LSDs **here**.

Beware: Staking, even liquid staking, is not easy for novices and is likely to be time-consuming to set up. It'll require knowledge of how to navigate through the decentralized finance space, which includes setting up a soft wallet, connecting to DeFi platforms and potentially bridging assets across different networks.

But considering the unusually high yields available, we think you'll agree it's worth every moment of your time and effort.

Then, once you have your accounts in place and have tried it once or twice with small test amounts, it should not be difficult.

You'll find yourself asking the same question we've asked many times: **How will investors ever again tolerate near-zero yields in traditional finance when they discover they could be making at least 20 times more decentralized finance?**

The answer: They won't.

We are convinced they will rush into DeFi, drive up the cryptos that support or benefit from this yield revolution, and make early investors in Ethereum and other DeFi coins quite wealthy.

As we've explained in this primer, you have the opportunity to benefit from this rush in two ways:

By owning the cryptos that are most likely to benefit. And by staking Ethereum or stablecoins to grab your share of the rich yields.

Do not rush out to buy Ethereum right now. This report is based on in-depth studies of the fundamentals. While we aim to provide an up-to-date look at these cryptos, the crypto markets can move quickly and the rationale behind these ideas and strategies can shift along with them.

For our most up-to-date recommendations, be sure to refer to your regular monthly issues and timely trade alerts.

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