TFTC 407

**Marty:** [00:00:00] Are you comfortable?

**Matty:** Comfortable.

**Marty:** Good. You look comfortable. You're like

**Matty:** leaning back a little bit. Nah, I just figured, you know, when we do these quarterly chats, you need to, you need to settle in.

**Marty:** Yeah, well, we're settled in. We're at block height 782,141. Fantastic. Talk about the Q4 2022 quarter or monetary base update.

**Matty:** Yeah. Not a q a little late almost now. A Q1 is almost over. Q1 is almost over. That's how they do it though. You know, it's, uh, a full month. You have to wait until like, pretty much all the stuff is published and then you get like the stragglers, like, you know, I still haven't gotten on the Bank of Iran's website since June of last year because of the, uh, you know, that country's on fire basically.

So you can't, like, if anyone can actually get on their website, just DM me, I'd be interested. But, um, yeah, takes some time. Uh, but this one took a little bit longer. [00:01:00]

**Marty:** Very interesting things going over in Iran right now. Saw or China brokering a quasi peace deal with Saudi Arabia.

**Matty:** Yeah, I saw that. I don't know.

China's brokering peace deals everywhere, apparently. Trying to at least

**Marty:** had that. They went to Russia. There's rumors that they're gonna try and get Vladimir in Zelensky at the table.

**Matty:** I'd like to see she try, but uh, yeah, it's a lot going on, man. A lot going on in the world. We are, uh, you know, it's, it's standard status quo over here.

We're supporting Ukraine best we can, just because we know that they would have us in the crosshairs next. Yeah. Even though, even though we're in nato, it's just geographically very tight for us. Very tough. There's this thing, the Alki gap, you know about that? No, it's a, it's a small town right in, uh, right at [00:02:00] south of Lithuania, uh, in Poland.

And, uh, they've been building it up over, uh, the years actually just drove through there, uh, last week. It's like the, the highway is much better now. It's, it's, but it's basically the only road. There's a hundred kilometers, 60 miles of road between Lithuania and Poland. And on the, um, on the west you have Kaliningrad, which Russia never held historically, never had any claim to, but they took it over after they pushed the, uh, the Germans out, uh, in, after World War ii.

And in, uh, the east you have Belarus, which is, uh, obviously like, basically a Russian surf state at the moment. So there's, there's a hun there's a hundred kilometers, 60 miles of open land border between the Baltics and the rest of the European Union. So it's, it's, it's always something that we're thinking.

Yeah.

**Marty:** Yeah. It's crazy [00:03:00] times right now, ma'am. I wrote about it last night, and we seem to be completely in la la land over here in the west. We have China brokering this deal between Saudi, Saudi and Iran. Obviously met with Putin this week to strengthen their relationship. Obviously the rumors we just mentioned about, we'll see if you can get them to the table.

Uh, you have Mexico signaling that they like to join the bricks countries, which would be interesting. And obviously you have a, a banking crisis at the same

**Matty:** time. Who would've thought that rising interest rates would've been a problem for banks? Who would've thought it after 15 years of near zero rates?

But that is where we are.

**Marty:** Yes. Where should we start? Should we start with, uh, the Bella

**Matty:** prediction? Yeah, let's do a, let's do a [00:04:00] chart to start it. Can you see my screen okay, Sharon? Okay. Um, are we

**Marty:** sharing his screen or do we have our

**Matty:** picture up? Let me, let me pull, actually I can see you too. You got it right?

That's, yep. Yep. It's all good. Thank you, Logan. Um, so. Uh, just, you know, do this quickly. I did a daily on this, this week, um, running these, these dailies now with, uh, on the back of some good open source software here. And as we know, you can't look at anything with Bitcoin in linear scale, which this is. And we put it in log.

You can see about 15,000 trend lines, which I'm gonna take all of them away. Um, just really quickly as, as we start the show to look at some of this because, uh, you know, as, as we, as time goes on, it's, it's harder to look at numbers as, uh, you know, as the morning goes on for you. I understand. But, uh, I would say, uh, [00:05:00] this is quite interesting.

Obviously, here's his bet. All right. 90 days away from little less than 90 days from from St. Patrick's Day when he made it priced up a little bit. This is price ending yesterday. Uh, as I showed you last quarter, you might remember this, uh, this power regression trend line. So this is not like stock to flow stuff.

This is just, this is solely based on the price as it stands. Torical data. Yeah. It's the only variable that I'm looking at. This is not even any like fancy trading view lines or anything. This is just a statistical regression. There's logarithmic, exponential, linear and power. Power is the best one that fits Bitcoin, uh, for many years actually.

And in many different things, like hash rate is pretty good. Power curve. Uh, market cap's even better than this. This is a 95% R squared, which is pretty incredible. R squared just means the, the cru the price moves around the black line, the trend line, 95% better than it would move around like a flat imaginary average [00:06:00] line, which is like $8,000 Bitcoin.

So obviously it's gonna move around a curved line better cuz that's, as we know, that's how Bitcoin grows. All right, so that's the basics. Um, last time I showed you some different trend lines based on other years here, I'll do some percentiles just quickly. So like one sigma down, one sigma up, those, uh, you know, kind of standard deviations.

One Sigma, two sigma, right? So anything inside these blue bands is two-thirds of the time, 66% of the time, 67% of the time. Uh, that's, that's inside the blue Bands Two Sigma. What is that? That is 95% of the time. That's a two Sigma move. So still, if you're inside the purple bands, all right, that's a 95 percentile event.

And if you go out that it's a five percentile event, and more specifically, it's two and a half above the top band, two and a half below the bottom. That's how that stuff works. So you see with two Sigma, uh, we didn't hit it even in [00:07:00] 2021. You see in 2017 we didn't hit two Sigma. . We did hit it though back in the day.

We hit it in 2013 and we hit it in 2011. Okay, now let's go three sigma. So one sigma, two-thirds of the time, two sigma, 99% of the time, three sigma. That's 99% of the observations will be inside these bands around the trend line three sigma. All right. I know my tooltip boys gets in the way in this way, but let's zoom in.

So obviously three sigma didn't happen later, but earlier based on this trend line, it still nicked it in 2013 there. And then in 2011, this was the first empty Gox hacking. I think this was the first time Mark got his exchange busted up. Went from like, you know, we were at the start of 2011, under a dollar right slash article right here.

That's big jump. Of course this is like extremely thin data, but this is my, this is my data that I've used to build it here. Started Bitcoin Pizza Day. Uh, by June you're at 35 bucks, so that's a massive, massive pump, right? Yeah. Was this

**Marty:** still [00:08:00] Jed's exchange in 2011? No,

**Matty:** no, no. I don't, I don't, uh, believe so.

No. Mark, mark suffered all the hacks. Uh, this was the first one out of like three. Um, and then, uh, yeah, I mean he probably just took it over at this time. And, and so yeah, you see that that's, that's, uh, it would be a 99 percentile event, like an extreme move from the trend, from the trend line, which is the trend line at this.

is two bucks. That's the trend line. And the price was 35 on June 15th. I think I catch it. Yeah, 35 bucks. All right, so I'll reverse

**Marty:** X 17 X over the trend line. Yeah,

**Matty:** I'll take out the one segment to two sig to clear it up a little bit. Uh, and now let's look at what be Bellagio needs to do, what he needs to have happen to get to a million by, uh, June, 2023, 90 days out.

This is gonna be his [00:09:00] trend line. All right? So it's outside of a three Sigma move, which means it's, it's, it's less likely than 1% of the time. And I put in the, in the, in the tooltip there, in the, in the legend, 99.9289% of observations are below the slide. So let's just show you and we can walk it out now.

Okay, so here we are. The, our trend line, by the way, the actual Bitcoin trend line is 50,000. So we're under trend, right at 28,000, 27,000, whatever it might be at the very moment. Um, you know, but this, this chart is built as of yesterday, right? And so our trend line should be at 50,000. And this is on log scale.

So this is also interesting to see this, the, the magnitude of the, of the number here. I mean, I know people know this in their head, but I still wanna point it out. So let's even take out three sig down. Three sigma up. Okay, so the 99, it's actually 99 point a half percent. Cause remember the three sigma down, which I just took away, is the other half percent

So it's 99 and a half [00:10:00] percent is above three. The three Sigma upline there, that's 523 K is the trend line that it should be to hit, to hit that rare event. And then his, of course, he should be at 900,000 right now. And you just walk it out. Let's see if I got the, uh, numbers correct. June 11th, 12 13th, 14th, 998015th, 16th.

I think it actually changed in the last day. Uh, I think it should be 15th is the bet finishes. Anyway, you get it, um, million by June 16th. So this is the trend line that need, he needs to hit. So the point is it's obviously rare. I mean, we've never been above 70,000. Everybody knows that intuitively, but let's just see, I was actually surprised at this.

Let's see if there was a pricing history which hit his trend line. Uh, remember it's, it's gonna be back in the day. 2013 did not hit it. But this bump in 2011 did hit it. It was outside of a 99.9289% event, which also is, um, in Sigma [00:11:00] terms. You remember the old operations management classes, the old Jack Welch, uh, six Sigma.

Yes. So that's extremely insane. I actually thought about that more looking at this, doing this research, but the, that's like three defects in a million. So that's not as hard as as, as what b b is trying to do actually his. He's between three and four sigma. Three and four sigma is, is what his would translate to.

Um, and yeah, it's like four days, uh, 1, 2, 3, 4, 4 days. We were above the trend line and then it fell. So the point is just to say statistically, uh, for that to happen, it's less than 0.1% of the time. It's 0.07% of the time. And you have to also ask yourself, like if we talk about just the way that it's worked historically, the price always pumps, gets over its skis and then falls, right?

It never stays there. Doesn't like go to a million and it stay, that's the first thing. But then the second thing I would say is I'm totally, if you're watching [00:12:00] this and you're thinking, I'm like gonna start dissing him. Not at all. Um, I commend him for what he would say and I think it's extremely interesting, especially right now that he's actually like with this bit signal thing, he's being very vocal about it.

I think he's very commendable. Certainly is a Bitcoin for him to say that Certainly it's possible that hyper Bitcoin ization could happen in the next 90 days and then that would happen. But just to show you statistically how this has worked around the tread line, it's uh, less than 0.1% likely based on all 6,500 plus days of Bitcoin pricing data.

**Marty:** So what I'm hearing is that you're saying there's a chance .

**Matty:** Exactly. . There is a chance. Yeah.

**Marty:** there, there's a Chance Freaks. We could do it. Buckle up. No, we were, I mean we were talking about this before we hit record. It's, uh, there is a chance, it's a very small one. If you're, if we're looking at the historical data, it has happened before this type of, uh, [00:13:00] what it Six Sigma event or this be between

**Matty:** three and four, between actually not as crazy as Six Sigma, but still, I mean, three Sigma is the 99 percentile event.

It's extremely rare. We've only had it a couple times and his will be like, we've had it one time for four days. Yeah.

**Marty:** And that's, uh, you know, we were having the discussion before, does he really think it's gonna hit a million dollars or is this a campaign to try to incite urgency in people to get into Bitcoin before they shut the doors on the banking system, which dovetails them into the conversation about the banking system.

I know you mentioned it, um, when we first hit record here, like what do you, what did the Fed think was gonna happen when you raised interest rates as quickly as they have over the last year and a half, after 15 years of, of essentially erp? Um, what's going on in the banking system in your mind?

**Matty:** I mean, they caused it like this is, this is what [00:14:00] all of us have been saying for years and years.

This is like, this is why we do Bitcoin. This is why we don't believe that you need a centralized actor, a monopolistic actor, to artificially, um, To artificially set the interest rate, but then more crazily do that by pumping up their own sovereigns bonds, which is how they actually do that. And uh, I mean, could you just imagine like the riskiest asset on your book is a 10 year treasury note , I mean, like, they caused this, they caused this, this problem.

And not just, I'm saying in the last year and obviously in the last 15 years. And of course before that, you know, there's always, it's like that hayekian thing. It's like, look, before, look at the, uh, the boom before the bust. Like it's the same thing. Before 2008, Alan Green spend took interest rates to one, one and a half percent, uh, which were all time lows at the time, after nine eleven.com busts.

Same thing happened with [00:15:00] ltcm. You know, the Mexican peso crisis in the nineties, Asian crisis in the nineties. It's like there's all, they're always coming down, down, down on the rates. Actually, another thing I showed this week, uh, dear viewer, if you like some of this stuff, like, cuz I, I wanted to visualize that.

Um, we can pull it up if you want. It's the sensitivity of bonds. I don't know, I I don't wanna just run charts the whole show, so I dunno if you, if you want to do it, but I like charts. Let's do it. All right, let's do it. Let's do it. Uh, so this is the sensitivity of this is bond. It's called bond duration risk.

Okay. So how, you know smart you are, if your Silicon Valley bank asset manager to. You know, buying government bonds at a time where they're at all time lows. Uh, so the point of this chart is to show you, oh, the rates are at

**Marty:** all time lows. And the

**Matty:** price is, yeah, sorry, sorry. Absolutely. That's a very important point.

With bonds that price moves inversely the value of the bond moves, it's inversely correlated with the rate. So if [00:16:00] the rates fall, price rises, if, uh, rates rise that they've been doing, price will fall. So this is the last 20 years basically complete happy days in the market. We see the YTM is yield to maturity.

It moves down, down, down. So just this is not really the, the, the, the rates you see are a little bit higher. Bonds are weird. You can't look at like a stock chart, right, of any one's stock to see how any one bond does. You have to look at the yield and then back into that based on your book value, how much your book value of your bonds are worth.

But if you just look at this, say that, you know, you bought, uh, a one, this is, uh, uh, 1% yield of maturity bond, which is exactly what they were in, uh, in the case of SVB Bank, whatnot, they were 1%, uh, one point a half percent, maybe actually maybe even over, or, uh, excuse me, under 1% notes in 20. 20, 20, 21, the 10 year, which is the bond that they had.

And by the way, the mortgage backed securities pay the [00:17:00] same as the treasury just cuz they nationalized it. Uh, the 10 year note was bottomed in 2020 at point almost a half of 1% 0.6% un incredibly low, the 10 year unbelievably low. And that's when they started to buy these things . So all time high prices, in other words, uh, anyway, if you just continued on owning a bond, look at the tool tip here.

You see the yields maturity, unchains, right? You had a one year, 10 year, 50 year bond. The US doesn't have 50 year bonds, but other countries do. By the way, Austria has a hundred year bond. Um, I encourage you, dear viewer, to read some news articles about how the bond holders there are feeling pain at the moment.

**Marty:** Aino was talking about a hundred year bond at one

**Matty:** point. Yeah. Trump was even floating a 50 year bond idea, a floating one. Um, so it's just to show you, this is just statistically, it's, it's just works exactly like this. Say you start at 1% yields maturity. Now we're going to the positive side. The happy days.

And since [00:18:00] bonds in the eighties were like 15%, 10 year treasuries, they weren't 1% yields maturity as I have here. Your profit actually isn't gonna be as extreme, but it's still extreme. I have to keep everything at a flat yield curve just to start to show you. So basically, you know, if tomorrow you had a, a one year, uh, bill at 1% and it, the, the yield fell 1% on a one year duration.

You've seen the tool tip. The one year bill value, you only gained a percent. That's literally what you would gain. But as you go up in duration there, right, if you have more time left on the bond, you're accreting more value, like you're gaining more value on your books to lever up or to do more things.

So look at the five year note. You just gained 5% in value. 10 year note gain, 10%, a 50 year bond would gain 64% simply with a one 1% drop in the interest rate, 2% double basically 3% triple and a little bit more so on and so forth. Where if you only get five percentage points, and imagine if you were doing this in [00:19:00] 1980, you had 15% bonds.

Again, the I'm, my base is, is 1% here. So this is actually like a negative rate if you get there, which in the US never had but other countries had. You might have not been on the 50 year bond, like 1100% profit. You might have been like 800%. It doesn't matter. The point again, is just to show you, this is the pattern.

When rates fall, you are just, it's a boom. Like this was the last 40 years. It's like my entire lifetime was rates falling. Of course it was, you know, it was not uni uninterrupted gains and we had crises and they're always, you know, the punch bowl, the, the green span put as they called it in the bernanke put, they're always there to rescue the markets.

but that's what they've done. They've taken them lower and lower. I mean, it's, this is not rocket science. We've all been talking about that. Then you go to this side. This is the pain . This is what's happening now. This is what's has been happening over the last year is the yields have gone up from where they were so good old SVB bank.

They started precisely [00:20:00] here at 1% yields of maturity, maybe a little bit

less,

**Matty:** maybe a little bit more on 10 year bonds. All right, so let's even, well, let's leave them all on there. I have the whole spread here. The whole all durations. You go 1% up in rates, your bill. Now, look how it's still good in this case, to have only a one year bill.

Um, bills are short term bond, right? No, it's midterm. Uh, you only fall 1%. That's your face value. Your face. You only, you know, you're expecting 1% total on your money yield. You, you lost a little bit less than 1% if race moves up. Okay? So that's, that's, uh, that's okay. But then the 10 year look, you've lost already 9% on your face with just a one year move, 50 bond, 50 year bond.

Of course, extreme. You've already lost 38% go to 2% stubble. All right? Not, not quite double, but you're, you've lost on the 10 year, which is now we're in the SVB bank territory, the blue, they were losing two to three, almost 4%. Let's just take it to three. That's a [00:21:00] 25% hit on the value of your book, and that's what everybody, this is the thing about banking.

This is like why it's hilarious that they're trying to like, you know, Stifle this and say the system is fully backstop and why Bill Ackman keeps capitalizing tweets about how we need to fully, you know, guarantee the whole, uh, the whole country and everybody's deposits. It's because this is what they all hold debt.

The debt markets, the bond markets, they dwarf stocks. You know, bank loans work the same, by the way, if, if your interest rate needs to be repriced in your interest rate. Risk bonds, of course, are more liquid, but this is all that banks hold on. Their, on their balance sheets is debt-based instruments as assets.

So if, if the, if the market demands only a 3% more move, you know, depending on your duration, okay, you wouldn't be bad if you had just a bill. You'd only use 3% of your capital value. You're, you're, you know, you're gonna be repaid in par pretty soon. But if you gotta deal with that out 10 years, 20 years, 30 years, you're effed.

I [00:22:00] mean, that's just, that's the, the stuff moves too quickly these days. It's repriced. And you remember they didn't have to mark this to market, remember this, uh, hold too much. They, they moved it stealthily into this hold till maturity category. Mm-hmm. these bonds. So they didn't have to market to market.

And everybody knew that. Like, there were reports from the, not everybody, I should say more people were calling this out than others, but, uh, reports were coming out from the fed that these unrealized losses were climbing over the last year. But it took, you know, and a couple newsletter writers, Peter Thiel, whoever, I mean, the run itself actually screwed.

and it's interesting to me that those were the bonds they chose to sell because, you know, you might think, uh, it's good to get the bad stuff off your books first, but obviously in their their case that's not what happened. I mean, that was, it just showed even less faith and, and that was it. Maybe they did

**Marty:** view it as the bad stuff.

Yeah, it's, it's pretty insane. Cause it's, they didn't have to march to market, but [00:23:00] the sleuths were doing a lot of research and I mean, you had that chart that's been going around for the last month that the unrealized losses that the banks have, their books are between like six and 700 billion.

**Matty:** Yeah. Way more than 2008 has ever became close to.

Yeah.

**Marty:** And so that gets into the question, has QE five started? I talked about this with Parker Lewis last week, but obviously they had that facility that they spun up. The Btf p p where they're essentially telling the banks, all right, give us your bonds, uh, we'll hold 'em on our books and give you a loan at par value for a year.

Number one, what's the likelihood that that facility last a year? And number two, what's going on behind the scenes in terms of money creation? It's technically not qe, so not printing cash and giving it back. They're lending it

**Matty:** out. Yeah, I mean, they're expanding the balance sheet. It's, uh, corporate, uh, [00:24:00] It's a corporate loan and it's expanded the balance sheet, how that will play out to the monetary base in the future, you have to see.

But we saw that in the last week. And I'll do a show on this tomorrow because I guess today it's probably released the Wednesday level, which I haven't even checked yet the Fed. But as of last week, it went up 300 billion and they had spent all that time over the last two years trying to cut like double 600 billion maybe.

So in a week they reversed the size of their balance sheet by half . What they, all that

work

**Matty:** they were trying to do, they reversed it, uh, by half. So, uh, in other words, they're back to square one, they're, they're printing again where it will all shake out in the bank reserves. Also, they have this reverse repo facility, which is for non-banks, which is actually I don't have in my monetary base stuff, uh, cuz I just, they don't classify it yet.

So I wasn't sure I should put it there yet. But that's essentially money based money [00:25:00] from the Fed. That's for kn facts. So we'll have to see how it shakes out. But it's absolutely, I mean, when you're talking about balance sheet expansion, like whatever they choose to call it, it, you know, and, and, and they haven't done what Bill Ackman wants.

They haven't done the full system wide, like guarantee of every deposit, regardless of amount. Like what, you know, they haven't done that yet. They're trying to say that everything is safe. And also what I wanted to ask you about is, I'm seeing some tweets this morning. Follow this stuff that closely. We don't live in the United States, but it seems like Operation Choke 0.2 0.0 is, is coming, you know what Nick Carter's been writing about.

So that's another thing where they're trying to basically not allow any sort of, you know, riff raff from the sides for people like us come in and say buy Bitcoin or people like biology. So, um, I don't know. What do you think, what do you think about choke 0.2 0.0? Do you [00:26:00] think that's what they're gonna try to, to implement?

Because, and I wanna talk about biology again too, because I think it's interesting what he's been saying.

**Marty:** Yeah. But not be surprised. I mean, obviously I think I've seen similar tweets to the ones you were just mentioning, where people are sharing screenshots of correspondence with their banking partners saying, Hey, we're gonna limit the amount of money that you can wire to these particular entities.

And they just so happen to be Bitcoin exchanges. Uh, I do think there's a lot of signal in the way Silver Gate happened and then Signature Silver Gate obviously had the bank run, weathered it pretty well for a bank that had billions of dollars of outflows. They were able to facilitate the withdrawals, um, pretty seamlessly.

Obviously they shut their doors. Very interesting in to note there. And very important to note, they shut their doors. They didn't have the F D I C or uh, N Y DFS step in and shut them down. . Um, but then signature [00:27:00] going down on a Sunday and getting shut down by the N Y D F S was a signal, um, that Nick Carter's been talking about.

That, that is a bit odd. I mean, you did have Barney Frank come out, um, and say, Hey, we, we were, we were pretty fine. Like we didn't need to, uh, to get shut down. And I mean,

**Matty:** he of all people, it's just the ideas a boundary. It really

**Marty:** is. Um, but there has been some data sl hopping into their balance sheet and apparently they had an obscene amount of commercial real estate exposure, which obviously has not been faring well last few years.

So maybe there was some problems with their balance sheet. But the Silver Gate and Signature, particularly if we're pulling on the choke 0.2 0.0 thread, they had send Silver Gate had send and Signature had cignet, which were these, uh, internal networks that allowed the exchanges to, to send funds 24 7 [00:28:00] 365.

So, um, taking those down by having Silver Gate shut at stores and then forcing signature to do the same, um, is certainly a shot across the bow of the industry. Um, yeah, in terms of a critical infrastructure that was just taken out. And then, yeah, I mean I've, I've seen the tweets. I haven't experienced it personally.

I've bought Bitcoin in the last week and haven't had a problem. But does seem like Kraken in other exchanges are, um, being prevented from having money wired to them. Who knows whether it's related to Signature Bank, silver Gate, and Silicon Valley Bank. Maybe these exchanges just had a lot of exposure to those three particular entities and, um, other banking partners are aware of that and saying, Hey, we don't feel comfortable with you guys sending money here.

Yeah. Um, who knows and will not be surprised. I mean, cuz they, they have to [00:29:00] stop Bitcoin at the end of the day

**Matty:** if, well, this is why I think it's so interesting what biology is saying right now. I mean, I give him credit. I really do. Back to my chart. I'm not trying to, I, I mean, I'm saying it's extremely unlikely, but if he's right, it would be the call of the century, obviously, because that would be hyper ization.

Because if it's just a pump like all pumps, they will be temporary. But this would have to be permanent. It would have to be a, a hyper victimization event, which seems more likely to me than a pump at the moment. You know, as like a three Sigma move is 500 K and Bitcoin's never even hit 70 K. So, again, to do the math, but, um, but I don't know.

I mean, I, I, I can't, I can't, I don't know what to make of it. It, it, it's a. It's a bit pollyannish, but it's also and a bit alarmist. But at the same time, I mean, uh, maybe he's, maybe he's just had enough and he is, he's ready to, um, I don't know, put out the bit signal, like he says, and just [00:30:00] have everybody just tweet him up at Bitcoin all the time.

I, I'm not, I'm not quite sure that, um, well, let me, let me, let me ask you this. Do you think that the stuff that he's saying about like, you know, fed Now, he says Fed now is a cbd C it's not a cbd C We should talk about that, but do you think like the, there's the kind of things that he's saying like within the next 90 days, like, I'm not living in the us I don't know exactly the pulse there, but is there anything, I don't know, when you go to like coffee shops and stuff or is this what people are really worrying about where their money is with all these bank runs?

Or are people kind of like more or less thinking this was like, okay, a one off, two off few sort of minor bank failures. It's a tough question, but where's like the pulse of people right now? Not on Twitter, but like if you're talking to normal

**Marty:** people. Exactly. Like, unless you're extremely online and particularly on the corner of the internet that focuses on the financial sector and economics.

I don't think most people realize what's [00:31:00] going on. I'm not seeing any of that in my day to day. I've had a few one-off text and people who've been Bitcoin curious, like, oh yeah, like is it really happening? Like, what's going on with the banks? that I've had to respond to. But I think generally, broadly speaking, in terms of the broader me, American populace, I don't think anybody really understands

Yeah.

**Matty:** What's going on. But I mean, it could happen, could happen. But I, it seems a bit bit weird that he pumped it. And also he's got people going on about, like, he could be manipulating the market. Like he, he was paying a million dollars basically to get one Bitcoin, whereas Matt Levine was writing, you know, he could just buy 35 Bitcoins or 40 Bitcoins.

Uh, I, I'm not a, I'm not a believer in market manipulation, but that is the kind of thing that they might come after for you for if you're, if you're making off, uh, regulated sort of in quotes here, air quotes, market manipulating bets where you're trying to [00:32:00] pump something much more than you personally would benefit, uh, than you're, you're doing some sort of weird manipulation, like you may benefit on the backend later, but obviously he could just buy Bitcoin if he thinks it's going to a million right now by 35 Bitcoins.

But he didn't do that. He's gotta get one.

**Marty:** Yeah, no, I, I don't think he's trying to manipulate the market. I do think he's trying to send a signal like, Hey, something's really wrong here. So that's where it gets, like, something is, and we've known this, we've talked about this, why we're in Bitcoin, we understand that the way the the banking system works is inherently fragile.

Um, and that fragility has been laid bare over the last month specifically. And so, yeah, I, I think. Bella and others like ourselves understand the gravity of the situation. Yes, the broader American populist may not be aware of what's going on right now, but if things continue, like did you see p um, answering questions yesterday, particularly about credit sus?

He looked very [00:33:00] nervous. Um, he did, he did like a lot of, a lot of like physical cues, like touching his face and blinking his eyes. Like it seems like at that level of the power structure, they, they really understand the gravity of the situation. And that's the thing, like these things, it's like gradually then suddenly, yes, we have Silicon Valley Bank and credit suis and everything going on in Europe right now.

Um, the stuff can cascade pretty quickly, so,

**Matty:** and he's, he's walking the tightrope. I mean, look, we have this, you know, kind of inverted yield curve, like, uh, 10 years, three and a half. The base rate now is five, 4.7, five to five. And we're in this territory, folks like we are, you know, he's still raising because he wants to, you know, cut off the price inflation.

But like that, that means, you know, the base rate is even higher than the 10 year. It's, it's a wild thing right now. [00:34:00] And, um, , and that's, that's what he's signaling. He's not signaling to go the other way. He's not signaling to ba bail out, you know, more these uneasy investors, as it always, they always talk about, you know, the ba the bond vigilantes are winning, uh, right now.

So that is a very, uh, a very difficult thing for them. Yeah, and

**Marty:** when you mentioned inflation, like that's, I think that's where like the social contagion when it begins to get into the broader populace is, I don't think they'll understand how like interest rate targeting really affects inflation, but they'll intuitively get, like, we're doing these interest rate hikes to drive down inflation.

Yes, CPI hit 6%, but as we've discussed throughout the year, CPIs completely bared. Like we went to the grocery store last night and bought half a bag of groceries. It was a hundred dollars. My wife we're in the car. She was like, guess how much that was? It was like a hundred dollars. So the inflation [00:35:00] is certainly still very elevated.

We had UK had had a 10.4% print of their official inflation numbers yesterday. So the inflation problem in my mind has not been solved no matter how much people want to point at CPI falling to 6%. And at the banking crisis persists, which you imagine another 25 BIP hike, uh, um, doesn't seem like that much, but in terms of the unrealized losses, Sitting on bank balance sheets and the precarious situation we find ourselves in with people being pretty jittery like that, that 25 bit hike can deepen the hole that exists on these balance sheets pretty materially.

Uh, that's

**Matty:** huge. I mean, every, every hike is huge. You see what even 1% will do 10% down on a 10 year. So, um, you know, yeah. People are gonna be moving into shorter term notes and trying to avoid this duration risk, but then that [00:36:00] just, you know, that stifles the economy for longer, you know, longer investment projects and all the rest.

So it's not, it's not, uh, looking good really in any way. It's, it's the tightest tight rope that probably any fed chair has had to walk, and it's all thanks to his predecessors.

**Marty:** Yeah. Um, and his oth, his, his immediate predecessor, Janet Yellen's not making the problem any better, she's out there yesterday saying, no, we're not gonna backstop all deposits.

So just loosely inciting a bank on all the, or a bank run in all the

**Matty:** regional banks. Yeah, I mean, they may have to get there. Like, if, if people like Bill Aman keep tweeting in all caps or whatever, uh, non, non, uh, indented paragraphs as he was doing before . But like, you know, I mean, it's just, uh, it's, there's no, there's no easy way out of this.

everything would just be obviously better if we had free banking, but we don't. So we have to do Bitcoin. That's the next best thing. [00:37:00] Uh, I do think it's, it's very interesting. I haven't, I haven't heard maybe from such a, I dunno what to call biology. I mean, obviously he's an investor, like very influential figure, but I think he's like the most mature name maybe that really is

**Marty:** Yeah.

Ackman's a hack. Ackman's

**Matty:** a hack. Well, and he's not a coiner, so he's Yeah, totally a hack. But, but the way that, I mean, in bitcoin terms, what B is saying, it's pretty interesting to me. It's, you know, and I, like I said, even though I, his math doesn't check out on the price, like I, I totally sympathize with everything he's saying.

So although he does need to not say that Fed now is a cbd. C All right, let's Fed now is just, let's

**Marty:** dive into that. What is Fed now? I'm still, I'm actually, I'm not well versed on Fed now. Um, and why is it in CBD C

**Matty:** in Europe we have this Goodwill payment system, which is exactly what Fed Now is, it's called sepa.

Um, it's the, [00:38:00] actually my, what's the abbreviation? I'll have to look it up. It's, you're a wide payment area, something. And, um, it, it maybe secured, I don't know. And uh, it's been around for 15 plus years. Sepa. and in the last five plus years, they've had SEPA instant, it's all, it is basically, once the European Central Bank came along and kind of knocked out the regular central banks and their countries out of a job, uh, you still had these, like, they wanted to try to figure out what to do, like, oh, at least make payments better.

And it actually was a goodwill project from the central banks around Europe where, uh, a SEPA account is an account that like, it's, it's basically a, a European type of an account in any European bank, right? Like you have weird looking numbers in us. We have weird looking numbers in Europe, but we have, you know, delineated by country.

And when you make a SEPA payment, it immediately goes to the central bank. Like there's no clearing that needs to happen on a bank level or an interbank level, whatever. [00:39:00] Like it can go, I mean, all banks will see it, right? But of course the banks that are involved, it, I, they immediately see it as well as the central bank.

So all it is is just a very quick way to clear. And they've had SEPA instant, literally SEPA instant for five years. Uh, that's all they're fed now. Is Fed now is simply a payment rail for banks in the United States to clear transactions at Federal Reserve.

**Marty:** Is this where like the USIP numbers come in?

**Matty:** Uh, I don't know if that's what they're gonna call them, but No, they'd have, they, I think they'd have to have their own specific, is that what they're calling Fed now?

Numbers?

**Marty:** I'm not sure. I, I thought there was like a uip. number attached to each bank. And,

**Matty:** uh, I don't know, maybe, but, but the, regardless, it's, there would be a, it's a program. Every bank would have to sign up for it, and then they would have an account. It's gonna look differently. Like then you're checking routing number ach, it would replace that.

It'd be much better. And yeah, it's, it's like nice, but it's not new or novel. It's certainly still centralized [00:40:00] within the banking system. It's nothing incredible, all that. All it is is basically if you think of like, there's a bank teller, a digital bank teller now at the central bank that sees everything.

So it sounds awell in it sounds like the CBD C but you're still only looking at bank accounts. You're not looking at, you know, individual, uh, individual customers. Like you're not looking a cbd C is a, a cbd C is a liability from the Federal Reserve that it acts just like hard physical cash or bank reserves.

It's, it's literally on the Federal Reserve's balance sheet. Fed now has nothing to do with that. It's basically just, they're looking at all of the banks, all of the banks are in this, gonna get in this Fed Now program. Just like there's a separate program. And when a payment is made from one bank, the bank doesn't have to wait and whatever, you know, clear its books and then maybe at the end of the day, look at the bank reserve account and then we do some changes.

Everything is gonna be instantaneously [00:41:00] cleared through this sort of digital bank teller window at the, at the Federal Reserve. So it's a, it's just the FAS way to clear. And just one more point. , the Federal Reserve clears all transactions in the system. I'm not saying I like it, I'm

not

**Matty:** saying it's a good thing, but that's how it's always been.

So

if

**Matty:** you think about old, old school checks in the United States, right? These are bankers, uh, bankers, instruments, bankers tools, where you have a check from, uh, from from ubs, you're gonna have a check from Bank of America. You have a check from Wells Fargo, right? They all go throughout the system. And at the end of the day, you know, bank of America needs to look at, and of course, this, this is a rolling thing, so it could, you know, a check from five weeks ago might still be clearing through the, the coffers of Bank of America.

That's the Wells Fargo check. And then finally it gets there, it gets to the top of the, of the stack. And Wells Fargo and Bank of America go to the Fed and they say, okay, we got a little bit of a, of a discrepancy. We gotta clear this. And you clear that with bank reserves. So it goes [00:42:00] up, up, up. It always, that's just how a, that's what a central bank does.

It's the, it's the, not really, it wasn't originally the lender of last resort. It was a clearing bank, and there were free market banks like this in the United States. There's one called the Suffolk Bank. It was in New England. It did a lot of this. So this could totally happen in the market. If, if, if that was like ideal.

Of course, we now have Bitcoin, we don't need it. But, uh, it's just a me uh, it's just a method of clearing, just like checks. But checks take a long time. And then eventually you gotta get to something that's not even a check to clear between banks, and that's that bank reserve account. So when s v. was withdrawing.

SVB Depositors wanted all their money out. They were going and, and obviously they were doing that like with a digital check. They were doing that online. They said, we gotta get our money out, out, out. They didn't have any bank reserves, so they had to sell those bad assets to b to raise bank reserves and then to transfer those deposits to other banks, cuz that's what their customers wanted to do.

So it's a multi-step process. Right. But with, uh, with Fed now, it's a, it's a recognition by all banks that this transaction is [00:43:00] happening. It can happen, you know, in real time through the Federal Reserve, but it's still bank money. It's absolutely still bank made. It's only with bank deposits. It's not with anything that even remotely resembles the cbd.

C So I don't say it's good, I don't say it paves the way for more, uh, you know, individual innovation in society and everything. But that's what Fed now is, it's just a, it's a digital clerk at the Central Bank that's gonna clear, uh, bank payments all at once.

**Marty:** So like the question of my mind after that explanation is just, is this just like semantics because the Fed is backstopping everything and they are spinning up these facilities?

Does it really matter at the end of the day?

**Matty:** Yeah, I think so. For now, uh, again, I, I would not disagree with someone if they said this is like, again, paving the road to tyranny and everything. I agree with all that. Like, look, I'm on the. Uh, me and, uh, Janine from this month at Bitcoin privacy and Nick Anthony from Cato, we, we, uh, [00:44:00] got a grant from Human Rights Foundation to work on a CBD C tracker.

So we're gonna do that this year. And so I'm all like, I'm all about understanding the dangers of CBDs. Um, but CBDs are very, very different in that with a CBD C that's literally like, there are no bank accounts, it's just the central bank, and there are no bank decisions. It's just the Central bank. And the central bank is the one that is gonna tell you, like, okay, you could, your money, which is literally like a, a physical dollar, but in digital form, it's located on the Federal Reserves balance sheet, not on any other bank's balance sheet.

And they're gonna say, okay, you can take that money and spend it on alcohol this week, or You can't, or you can take that, you know, you spent too much this week in general, or we're gonna have to limit you this week. And that has a whole host of other Orwellian problems that are different. This is not like, uh, it's not like light years better fed now, but at least as far as the antiquated, you know, [00:45:00] horribly slow ACH system that the US the US has now, which is still like, you know, not we're, you know, we're still using checks in the US right?

So, Uh, I know ACH isn't checks, but like all of these different things, the idea is just to simplify it, standardize it. Like Europe did succeed with sepa. No one uses a check in Europe, everybody uses sepa. It's instantaneous, basically. And it's easy and everybody sees it. All the banks see it. So from that side, I understand it, I understand why they're trying to do it, but it's absolutely not a cbd.

C C is, uh, it's it's currency that is on the central bank's balance sheet and nobody else's. And that's not what bank money is. So with bank money, you have M one, M two, M three, demand deposits, time deposits, all the rest. You know, banks still making decisions. Banks still lending into projects in the economy.

You know, c D C is like full on nationalized digital, digital money.

**Marty:** Yeah. Well that gets into another discussion, which is, we've talked about this many times [00:46:00] throughout our, our monetary base update series, which is you don't believe that a CBD C is likely because of the role of commercial banks and the fact that they be cut out of this equation.

And I think the events of the last three weeks have brought sound like I've, I've been looking forward to this conversation cause I wanted to pose this question to you like, throughout to the cbd C it's just destroying all the commercial banks. Uh, , like you start with the regional banks, they roll up to JP Morgan, bank of America, Wells Fargo, and then, which seems like it, it's happening right now.

And then you get all the money centralized there, and then all you gotta do is take out the big four, big five and boom CBDC

**Matty:** is here. Yeah. Well, uh, the systemically important banks, the SI banks, right, they uh, they are certainly in control. They're certainly benefiting from this and they're certainly gonna benefit from, as well as the speculation people that wanna take money out of the smaller regional [00:47:00] banks and go into a more national important, you know, hand in the cookie jar si bank.

So that's always been the case. That's always, uh, been the case. It's definitely gonna be the case. Uh, again, not good. It's why we Bitcoin, this is why Essential Bank isn't good. Um, and it's not needed. You know, again, just a little bit of history, like the United States has always had a problem with this.

Like, in, in Canada, in Sweden, in Scotland, you know, in the 18 hundreds, 19 hundreds, you, you didn't, uh, Canada all the way to 1935. Um, you could have a bank note, you could have a bank money, right? Doesn't matter what you would call it. But, uh, uh, a bill, a bank note, uh, something that actually has pictures on it, that is from this individual bank, but it's under a gold standard dollar.

Uh, which was an important thing to keep in mind, uh, or, or, or a gold standard pound, whatever it might be. And you could have that note. And you could go across the country, whether it's [00:48:00] Canada or Scotland's, not as big Sweden. You could go across the country and you could redeem it at any other bank at par, and it would be fine.

It would work. That's like the beauty of free banking. The US didn't even allow that. So like from the 1850s, the US had this National Banking Act, which, you know, everybody talks about the Fed in 1913, but there were really bad central banking practices from the us from the federal government's perspective by, by the Civil War, by Lincoln's time.

First of all, he made all banks invest in federal union bonds. War bonds. Um, yeah, I'm not comment on the civil war. I'm just saying, uh, uh, uh, you know, obviously slavery needed an end that was part of it and everything else. But like the, he, uh, he made, he made, uh, banks invest in fed, in federal, uh, bond. That was like the first time in the United States history.

And if you were a state chartered bank, you could not, you could not branch outside of that state. Like there was no, there were no banks that, that [00:49:00] could, could move like that. So you always had this like, you know, these massive discounts and notes if you go from one state to the next and then you started to get some national banks that came in.

Bank of America, uh, was one of the early ones. And, you know, you start to like solve that problem a little bit. , but you know, compared to Canada, which was just operating just fine across the border, like the money supply looked great, the, you know, it was very seasonal. It'd go up or down during the harvest and just like very predictable.

It's just, it was, you know, the history is much better without essential bank and without federal banking regulations than it is with, uh, a lot of people probably think these ar arguments are just moot now because we have Bitcoin and I understand that. Um, I'm not for, you know, just going back to something without Bitcoin, absolutely we need to have Bitcoin, uh, Bitcoin standard.

I just don't think that the, uh, perhaps Pollyannish view that it's gonna be like all Bitcoin all the time. Only that [00:50:00] without any, what, you know, what I call fiduciary media, which is the term is not going to exist. Um, I think you're gonna have to have, uh, certainly, I mean, we know this is a generational thing, right?

You think about us hardcore bitcoiners, we tell everybody, put your keys, you know, if you want full reserve Bitcoin and fully reserve your Bitcoin, right? Like I'm, I am 100% for full reserving your own Bitcoin, uh, you know, and running your own node. But a lot of people can't do that. And this is why you have things like banks that's, you know, sprung up and you have fiduciary media and all this stuff.

It's fine. It helps things scale. So, I don't know, I don't wanna get on too many different tangents there, but the. regardless. Bitcoin is a new form of base money. That's what I do with the, you know, the quarterly updates. And that's, uh, that's, that's fantastic. But I think we're definitely, and, and B'S probably, if not picking this fight, he's definitely like, uh, acknowledging that this fight is [00:51:00] probably really on which I agree.

Once you see this operation choke point stuff, I mean, I think we're definitely at the now they fight you stage. Um, I, you know, he, he made this claim. I heard a, I heard a clip of him. I actually agree with this very much. He said like, in the context of the United States could be like red states, blue states, you know?

Mm-hmm. You have red states, friendly states, Florida, Texas, you know, Wyoming, so on and so forth. I agree with that very much. I think that that's, that's rational and normal and you know, it's not gonna be just one Orwellian hellscape of a capital like hunger game style and everybody else is just impoverished.

I just, especially in the United States where we have such a strong private property and justice system generally, which doesn't always work for the people as it should, as we all know, there's plenty of bad things to say about the way that the justice system works at the end of the day, at the United States federal level.

But, uh, the states rights stuff and everything, United States, I think is very, very good. And that's, that's all gonna come to the test now. Uh, but if what I saw [00:52:00] that the US did, uh, during C O V I D happen again with this banking stuff, I, I'm, I'm pretty encouraged by it actually, because. Uh, we were a mess over here in Europe.

I mean, way too draconian of lockdowns. Nobody thinking clearly, rationally. And if you didn't like that in the US you'd just go to Florida or come to Texas. So, yeah. Yeah. So I, from that side, I'm actually very encouraged. And, um, again, Balaji sounded a bit too doom and gloom with some of these things, but I, but what he said there, I really rung home True to me at least.

Yeah.

**Marty:** And I, I've read about this last night too, because here in Texas, uh, one of the state representatives put up a bill that, uh, no Texan should, uh, have their right to, to hold Bitcoin, uh, taken from them. So that'll, Texas legislator votes, I believe, every two years. And this year is one of the, uh, one of the years which they'll be passing laws.

And so this is one of the laws that [00:53:00] will hit the floor and hopefully it passes. And I, I think it actually is essential that it passes in 2023. We don't have to wait till 2025, because I do think that then they fight you. Stage is upon us, and it is going to come, come down to the states to stand

**Matty:** up for this stuff.

Yeah, that's huge. And that, that's so reminiscent of like the, these fights that the, you know, that the, the Federal Reserve was the fourth National Bank of the United States, right? There was actually the Bank of North America, which was before the US was founded. Then there was the first two banks, central Banks of the United States.

They both failed Andrew Jackson. second one down famously. And um, it was the same thing. It was the same thing. Like these same types of fights between bankers in the state banks versus the National bank basically. And I'm, and the US held out long, but again, still had bad federal regulations, still had bad, you know, you had to buy government banks couldn't branch at all these bad things.

It was much worse in the [00:54:00] US than it was in like say Canada or Scotland or Sweden. But, um, the, the fact that the state's rights stuff is really coming to the fore here, and I really, I could tell you from across the pond I saw it, uh, it was very strong in the US and I think is very encouraging. Really encouraging.

**Marty:** Yeah. I, I mean it's part of the reason I moved to Texas. Um, obviously there's a lot of stuff going down here in the bitcoin industry, but most importantly in seeing that Texas was one of those beach heads, it was like a, we'll protect your rights and hopefully that continues. And I'm very bullish on Texas making the right decision with this particular bill that's hitting the floor this year.

Um, cuz I've spoken to many politicians and people throughout the energy industry here, and it is undeniable that mining specifically is helping the, the Texas grade and is helping drive tax revenues and people get it down here. And I, I'd maybe, yeah, [00:55:00] that if that law passes the Texas Legisla. , um, it's gonna be massive.

That's like a massive signal to other states. Like, Hey, you guys should be adopting similar laws if you, if you believe in freedom and private property rights, because the war is upon us, they're gonna try and cut off the on and off ramps. And like, that's what I said last night in the newsletter. Like, it's all up to the states to, to begin standing up for, for their citizens against the federal government.

Cause you look at DC it's, they're not gonna get anything done. They're just gonna keep getting more draconian and more draconian. And I think many people in the country are putting their hands up like, Hey, it's, it's time to begin ignoring these people in DC They're completely detached from reality. And if you look at the incentive, just the pure incentives of DC and the Federal Reserve, like they, they have to try to maintain their grasp of control over everything.

And Bitcoin severely hinders their, their ability to do that. So it [00:56:00] just makes sense that they'll try to cut it out at the knees and then again, it comes up to the states to say, Hey, we're not, we're not playing this game anymore.

**Matty:** Yeah. Speaking of, uh, mining, you wanna talk about that methane versus flaring

Yeah. .

**Marty:** Yeah. Um, I'm sorry I didn't respond immediately. I mean, it was morning your time. It was like I rolled over, my son woke up in the middle of the night, so I read it like two to am Forgot

**Matty:** to respond. Oh dude, I I didn't expect you to read it until like five minutes before we started the show, so No worries.

**Marty:** So Matthew sent me, uh, the, uh, the clip of Cal Penn talking about, uh, the dangers of Bitcoin mining in, in methane. Was, was it about, cuz he's talking about

**Matty:** Bitcoin. I didn't actually watch. He like a, is he like a Bloomberg spokesman now or something? I just think it's funny to bring it on actors to give the news,

**Marty:** but yeah, Cal Penn's had an interesting, uh, career path.

He

**Matty:** did work for

**Marty:** Obama. Yeah. From Harold Kumar to Kumar administration and uh, [00:57:00] and now yeah, he's a spokesperson for Bloomberg to shit on Bitcoin for some reason

**Matty:** or another. Yeah. But this one, this one I sent you was just out six hours or six days before it came across my feet. I can't remember which even.

But, um, he was talking about methane and the dangers of, you know, methane leaking from all of the national gas facility natural gas facilities. And, um, I was wondering how familiar you are with your mining research, if, you know, like, is that, uh, is, is flaring a component of that or is it completely different when you're talking about methane leaking?

Cause he didn't seem to mention flaring during that. Uh, obviously I know flaring is good for Bitcoin. Like, don't flare your natural g natural gas. Just, you know, mine Bitcoin. , but this, you know, this whole idea about natural gas being so bad and it's leaking or flaring, it seems like Bitcoin can help a lot of that.

Certainly can.

**Marty:** And so with methane leak particularly, [00:58:00] there's two predominant ways, I believe just being my experience in the industry that it leaks. One, you have just abandoned stranded wells that aren't being maintained. They're capped, but not efficiently. And over time, the well infrastructure sort of erodes and leaks happen, and, and methane leaks into the atmosphere if you're not maintaining, that just happens.

Um, and these are just stranded wells that never had pipeline connectivity to get the gas to market and then flaring. Yes, it does contribute to methane leaking into the atmosphere. Cause the flare stacks are not a hundred percent efficient at combusting. The methane, particularly when the wind's blowing, um, right.

Uh, rather strongly. So if the wind's blowing strongly, um, the, the torch isn't gonna get all the gas and some will leak into the atmosphere. Yeah. So yes, in both scenarios, that's actually, um, one of the strategies we have at standard Bitcoin. It's up in Appalachia. Uh, there's a bunch of these stranded wells that have no pipeline connectivity that are just not being maintained.[00:59:00]

Um, so we'll go scoop 'em up, maintain them, put a generator on them. Mine Bitcoin, prevent the leak, uh, then yes, upstream at the wellhead where the gas is coming out. If it doesn't have pipeline connectivity. There's simply not enough room in the pipeline, they'll flare and you can mitigate that flare by plugging in a generator, mining Bitcoin with it instead of flaring it.

And then there's, I mean, we actually had the bitcoin takeover event here in Austin last Friday, and I did a panel discussion, really like a fireside discussion with Justin Ballard, where you can, Bitcoin mining can create this setup, uh, in the gas supply chain where you don't even have to send containers upstream to, to flare onsite on the well pad, you can actually suck the concept as like, suck the flare in from the midstream.

So instead of going up to the wellhead and putting a generator down, like where they're actually extracting the oil and [01:00:00] gas out of the ground, you go to one of like the, the midstream, um, processors and you put like a big mining operation there. So you essentially suck a lot of the gas in at midstream, which opens up pipeline capacity.

Um, so you don't even have to flare upstream, you just create more capacity in the pipelines to, to get the gas downstream to, to the midstream providers. Um, so yeah, I think bitcoin mining is certainly gonna make us extremely efficient in terms of utilizing all the methane that we're taking out of the ground.

We're leaving behind after, um, in oil and gas operation has sucked all the oil out and just left the gas well. .

**Matty:** Yeah. Something tells me he's not gonna be talking about that on Bloomberg anytime soon.

**Marty:** No, no. They're trying to kill us, Matthew. And then they wanna destroy our energy infrastructure. They wanna funnel, listen to who Fed now and eventually the C b C world.

Um, we're not gonna

**Matty:** let them. There's the Marty I know that's coming out. . Yeah. [01:01:00] Coffee's dripping into those mates. .

**Marty:** They really are. I mean, you just look at everything they're doing. It's either, I mean, who knows, maybe it's just mass incompetence. Maybe it's just them playing in their incentive system, which dictates that they have to keep control at all Cost.

And the cost of keeping control is completely decimating. Uh, freedom, your energy, infrastructure, quality of life. All for the control.

**Matty:** Yeah. The pretense of knowledge. Right. You cannot control this stuff from a board from on high. Is this hike taught us? Yeah. It's really remarkable that, you know, we're trying to bumble along this sort of like polar bureau type path, uh, when literally, you know, our former enemies in the, well still enemies in the east, you know, particularly Russia, former Soviet Union.

Like definitely not getting any better. And you know, g [01:02:00] and Putin have in their summits and they're talking about the yuan. Do you see that? Yeah. They're talking about how the yuan is like gonna. New world deserved currency. Putin's saying this, of course, a after he is having to, you know, do biblical things to g at their, uh, at their meeting.

You know, I mean, they're just, it's, it's just embarrassing. So embarrassing all around. And, uh, there's, there's no, there's no escape, man. There's no escape other than Bitcoin, unfortunately. Well,

**Marty:** that was really the crux of last night's newsletter that I sent out. It was titled, there's Blood in the Water.

And it's like, the frustrating thing is we don't have our house in order here at the Biden administration. Having the cast of Ted Lasso show up to the White House on Monday really to, yeah. Like that's where his priorities are. It's like sitting down at the cast of this TV show while all this is going on.

You have g making power moves with Saudi Arabia, Iran, with Russia, and they really think [01:03:00] that this is an opportunity particularly, and we have a banking crisis going on here at the same time. Yeah. So we're trying to put out all these fires and it's seems very obvious to me that the other superpowers of the world smell the blood in the water and are moving quickly and with purpose to sort of re-architect the financial layer of international trade in their favor.

And we're just sitting here with our fucking fingers up our assholes, just talking to Ted lasso . It's like, it's like fucking mind boggling. Um, but again, ended on a positive

**Matty:** tip. I think the last, though he's a good Lithuanian American, but you know. Yeah. But

**Marty:** anyway, agree he's a good person, but we have, we have, uh, more pressing needs and priorities that that should be tended to, uh, than sitting down in the Oval office with, with the cast of a TV show.

But, um, they have an incredible opportunity cuz they're trying to make all these power moves. G Putin, um, even Saudi Arabia, like Saudi Arabia [01:04:00] doing all this stuff with them is like the signal in the room. Like, Hey , we are wholly dependent on them, uh, holding up the, the petro dollar system and they begin to cozy up.

Yeah. With China and Russia more like, that's fucked. And that's one of the core pillars of reserve, the dollar reserve system in the world. And that seems to be getting chopped, chopped down right before our eyes. And nobody seems to be saying anything about it. But with that mind, it also presents an incredible opportunity for us of why we really need to beat the drums, the states.

It's time to st stand up. We can't depend on DC to fix this problem for us because Bitcoin, like they're, they're gonna go in the wrong direction. They're gonna go like yon backed, gold backed international settlement currency when we have Bitcoin and like if we really want to leapfrog out of this banking crisis and out of this morass that the US finds itself in the [01:05:00] states need to stand up and say, hey, We can all use Bitcoin.

We're gonna begin trading at Bitcoin. You can hold Bitcoin, you can mine Bitcoin, you can send Bitcoin. You can receive Bitcoin. And that is how we defeat the, the bricks country. I don't even say defeat, but that's how we, um, put forth a better strategy to, to actually maintain control. Uh, to some extent is let them go do the yuan backed, the gold backed settlement currency and we'll leapfrog them with Bitcoin.

Um, in terms of taking advantage of an opportunity, um, things seem pretty dire here, but if we don't shoot ourselves in the foot, we could, we can maintain some semblance of strength via Bitcoin.

**Matty:** Yeah, you would actually bring, uh, strength back to the country. I mean, you could even still have the dollar.

It's kind of the Michael Sailor talking point, which I don't particularly like, but yeah, you don't have to, you don't have to print [01:06:00] money to run a government, right? You can, you can, you can run deficits even you can borrow money even. It's just not gonna be as cheap as you like, and it's not gonna be cheap anyway.

They're raising rates anyway, so stop printing, uh, you know, fully and, uh, use something like Bitcoin. You can still run deficits if you really want or they're just, you know, you're gonna have to pay for them eventually with tax and with, uh, with interest rates if you wanna do that. And, um, you know, then.

Then you have a much more sounds principled like free system that investors would want to invest in more, uh, as opposed to just trying to go down this Orwellian, you know, CBD C path and stuff. And I do, I do think that that's gonna be, that's a tough one for the United States. Uh, we didn't quite touch on that, but you know, again, as I've always said, like cash is still in use if it's not from coming from cash, right?

Cuz a CBD C is central bank money. If it's not coming from physical cash, which is flying around the world, it grows [01:07:00] at 10% per year per AUM compounded, uh, on a blended rate. If they're not gonna get, uh, like liquidity for a CBD C from physical cash, which is a direct competitor on their own balance sheet than the only other place you take it is a bank deposit.

And the banks themselves own the central bank. You know, the banks own the Federal Reserve. Uh, they actually own the, the 12, you know, regional branches, the Federal Reserve. And, um, and I, I just, I have a hard time seeing bankers allow that to happen, especially with the dollar status in the world. So you can put it back in, you know, in good, uh, in good, uh, form just by using Bitcoin and not, not printing, choosing to print money.

But that I think is almost as unlikely as apologies, uh, prediction, unfortunately. ,

**Marty:** I would agree there. It all comes back to the states, an individuals standing up. I'm actually extremely bullish and optimistic because like you mentioned, I think [01:08:00] Covid in the aftermath of the lockdowns and states asserting the rights, I think Covid Lockdowns particularly, and the vaccination campaign was a misstep by the government.

It went too far too fast. People had their I, it tena up and they're saying, Hey, I don't want that to happen again. And if they were to try to like create some Orwellian banking system right on the heels of all that, I think more and more people are attuned to what's going on. I'd be like, Hey, wait a second.

You just royally fucked up for the first part of the 2020s. Like, I don't trust you to make a decision with my money. I'm actually gonna go use Bitcoin. Thank you. But no thank you.

**Matty:** That's why they're, they're doing operation choke 0.2 0.0. Yeah. No.

**Marty:** How do we, how do we route around 2.0? Can we, [01:09:00] how do we fight?

They're fighting us. Well, I

**Matty:** think there are plenty of, yeah, I think there are plenty of good tools. Um, and it goes back to like what we used to say in the old days, right? Like, you, you can mine Bitcoin. You can earn Bitcoin. Um, Span Bitcoin, but you know, don't worry about too much trying to acquire it with fiat.

Now, of course that's, you know, that's B'S message as well, right? This recently, he's given it 90 days, but, uh, I, I do think that you're still gonna find on-ramps in the next few years for that, but who knows? Could come faster than not. But yeah, I, I still think that, you know, even th this is the exact point of Bitcoin, right?

It's not, it's not to ha it's not to be just sweetly embraced by all the regimes, whether that be democratic or totalitarian around the world, and, you know, just come in and be the currency of choice. No, they want their own currency that they can print precisely for the reasons we just talked about. You know, you can, you could bid up your nation states [01:10:00] bonds, uh, with that process.

And that's just, that's, that's alchemy. They don't wanna give that up. No.

**Marty:** And this actually breaks up another point in why operation choke Choke 0.2 0.0 is probably definitely happening, excuse me. And the signal here is custodian bank outta Wyoming, Caitlin Long, trying to bring not only a fully reserve bank, but an over reserve bank to market.

And she's getting stonewalled by the Federal Reserve. And many of your people are like, oh, it's because it's a crypto bank. But no, it's cuz it's a fully reserved and over reserve bank. And if you create, uh, the optionality on the market for people to hold their money in a. With 108% reserves or one with 0% reserves, they're naturally going to choose the fully reserved bank over time for a, a good portion of their deposits.

And so you're gonna have a run on the bank. So they literally cannot allow that bank to exist because it would open up a scenario in the game theory where you would [01:11:00] have a run on the, they're not even fractionally reserved, the zero reserve banks to this fully reserved bank. And that's exactly what Bitcoin is like.

That's, I mean, bitcoin's already exist and is already out there. Most people just don't recognize, like if we're comparing Bitcoin to the banking system, Bitcoin is that fully reserved bank that you can run to. Um, and so you have to imagine that they recognize that Bitcoin actually exists and is the fully reserved bank that people can run to.

Most people don't understand it yet, but at some point, the, the social contagion and information dispersion is going to hit ahead and people are gonna have that light bulb go off and we'll start running to Bitcoin. Yeah. Um, and then she's

**Matty:** the perfect stop that, she's the perfect example. And that's like the trouble of the regulated, centralized central banking system that we have, you know, I mean, You can Winkle vi all day and sing in your band and try to, you know, [01:12:00] like be this kumbaya, sort of like, uh, we, we have, you know, markets need regulating and this, you know, take out as many Wall Street Journal full page advertisements as you need during the course of your journey, trying to be fully entrenched in Wall Street and all the rest.

But at the end of the day, that's precisely like the opposite reason for Bitcoin's existence. It's not to become regulated and clear in part of people's 401k plans. That's, that's the best advertisement that Bitcoin could possibly get is if it's banned, in fact. So I, I do think that that's a possibility.

It's a possibility that they don't understand that they, they haven't gotten that. But like, and then you think about that from Caitlin Long's perspective. Like I fully support her, she's been on my show and obviously she's great and it's a great noble goal. Although you would have to pay, again, this goes back to banking, right?

You would have to pay for storage the service. Yeah. Yeah. Cuz she wants it to be a bailment, not a, uh, not a deposit account, which is basically every other bank account in the, [01:13:00] in the, in the world. Um, so that's, that's one thing I I totally think she should do it. I totally think it's great. It's absolutely what we would need.

We see that they don't allow, uh, the competition, but then you have to ask yourself like regard like from her perspective, but then as like you as a Bitcoin are looking at her, it. What are you gonna root for? I mean, is it, are you holding all your hopes on Caitlin Long? Like, are you, are you holding all your hopes on the success of Bitcoin with Caitlin Long becoming a regulated, fully custodian reserve bank, you know, with the Federal Reserve Master account?

Like, is that success in our, in our Bitcoin dream? You know, like in our Bitcoin goals and like the Bitcoin mission, obviously not. I mean, the Federal Reserve having, you know, more jurisdiction over more Bitcoin in their system is actually not the, the end goal. And this is contrary to a lot of people think, you know, it's like, oh, central banks taking Bitcoin on the balance sheet, it's gonna be great, [01:14:00] this and that.

Like, no, it's, it's gotta be a complete replacement. You can't, you can't have that like that. This was my speech in Riga, uh, in September, which you might remember at Honey Badger. Very good. Um, like, that's exactly what happened to the gold market. Like if you were a gold bug in 19 69, 19 70, 71, all economists in the world, dumb as they are, thought gold was going to zero, thought gold was going to zero after 1971.

And it started to float freely and Americans could own it. The opposite happened. It went to 850 bucks, announced for two seconds. , you're loving it. If you're at a conference in, you know, about gold in the 1970s, you're just loving life. You're thinking, this is it. The central bank is owning gold, taking it over.

And of course, we know what happened from there. After Volcker ended the bubble and they started manipulating the market. You get data all the rest. But like, um, that, that is like central banks owned one fifth of the world's gold, one [01:15:00] fifth to one sixth of the world's gold. They own 1.1 billion ounces of gold.

Like, that's not where you want the gold. You don't want the gold in the Central bank because they're just gonna take it away from you as they did before. And that would be the case with Bitcoin. That would be the case. So, uh, again, I, I'm very much in the full, fully reserved camp. Just do it, do it yourself.

You can't trust anybody else to do that. And so this is where these, I'm kind of like I ab she should absolutely do it. I absolutely agree with everything that Kaitlyn is doing, but that's not success in Bitcoin is if she gets a federally regulated, fully reserved Bitcoin bank, it actually would be, you know, showing that it does show their weakness, but it, they're not like, they're not giving up at all at that point.

They're gonna try to take more and more and more. Once, once that uh, occurs. We would need to have like a full overhaul and a Bitcoin standard, uh, to win.

**Marty:** Agreed. I mean, you can easily see the order of [01:16:00] operations. . And again, I love what custodian is aiming to do. I think it should exist. I think it's funny.

Agreed. Agreed that the Fed is not allowing it, but,

**Matty:** and they're gonna, she's gonna, uh, appeal. I mean, she she's gonna fight a good fight. Absolutely. A hundred percent. I would support her. They'll never

**Marty:** let it happen though. Because you have the option of a full reserve bank where a zero reserve bank, like people are gonna go to the full reserve bank.

You'll have a run on the system. But let's play through this scenario where it somehow does get through and there isn't no run on the banks to the full reserve bank. Like it starts there.

**Matty:** Well, you can make an argument that it wouldn't because like they, depending on how they roll it out with marketing and also you have to pay, like this is the thing that people that always cheer fully deserves on you will have to pay.

And a lot of people don't wanna pay. So I'm not saying that a lot of people won't pay, but you will have to pay for that account. It's like a total money account. Think,

**Marty:** think silicon, Silicon Valley Bank customers are, are willing to pay.

**Matty:** Yeah. They will pay anyway regardless. Continue on with your train of thought.

Let's say it gets through and they do get through

**Marty:** order of [01:17:00] operations. Yeah. This bank, it is able to custody Bitcoin, fully reserve stuff and then that's, that's the order of operations that happens. Then the government points like, oh, you need to do it this way. You can't hold it in self custodys. Like, we need to put up guardrails for you

Like so send all your money too, uh, custodian and the competitors that, that spring up in its wake and then they'll try to force people to send the Bitcoin there. It's pretty simple. It's just two, two operation order of operations. You. and then the government says, you have to hold it here. We don't trust you with your keys.

**Matty:** Yeah. It's, uh, it's, it's, it's absolutely, uh, not like a win for Bitcoin. If like, I don't know, the Bank of India, the Fed, the central bank of, uh, the E C B and b oj they get together and they just start reserving Bitcoin. Uh, yeah, it will make the price explode and we'll be happy for a little bit, but like, what's gonna come later is not gonna be fun.[01:18:00]

So that's not, that's not the way that you win, in my opinion.

**Marty:** No. And luckily for us, these people are stupid. Like they're not letting it happen. I don't think they're gonna let it happen. And that's, that provides an incredible opportunity for us is to do this right. And, and again, that's why, again, I think the signal with what bolaji, the tip he's been on the last week isn't Bitcoin to a million dollars.

It's Bitcoin in self custodys. I think that's the signal in his message is like, Hey, this shit's happening. These people do not want Bitcoin to succeed. They cannot let Bitcoin succeed if they want to maintain their power. Um, and they will fight tooth and nail to maintain that power. And part of that fight is preventing you from getting Bitcoin.

So while you still have the opportunity, Get Bitcoin and getting in into wallets that you control. I think that's a signal of Bella's message deep down. I don't think he believes it's gonna hit a million dollars year. It's

**Matty:** a great, it's a great [01:19:00] message. The only thing that I would say is this, this sort of the end thing you said, like why you still have the opportunity.

I think there's always gonna be opportunity, there's always opportunities to get gold. It's always opportunity to get Bitcoin. That's probably the part that's most overblown is, uh, there's definitely ways to get it. There's ways to hold it, spend it. I mean, obviously we all know that there's ways to hold it and spend it, uh, natively.

There's no problem at all. There's no problem at all. It's just a question of, uh, you know, the nubes and the rubes like getting, getting, uh, access, which, uh, might be harder if it's like, of course it'll be harder if they try to actually fully ban it, but I don't see that happening in America. Like I said, I don't see it happening with, uh, our property rights and our state's rights and everything else.

I just don't see it happening. Neither do

**Marty:** I. But again, let's play through the, uh, scenario where it does happen. I still think the, uh, the common man, we'll get access to Bitcoin cuz he will just have what's popped up in any country with currency controls, strict currency controls, you'll just have a black market for it where [01:20:00] you'll have your, your dollar price goods at the POS system and then you'll give the, the merchant the I like, hey, I'm, I'm down to paying Bitcoin and it'll pull out his, his blue wallet or something and you'll just pay that.

And I think, uh, that'll be the way most people. If the scenario plays out who weren't able to acquire Bitcoin on an exchange and send it to self custodys, we'll be acquiring Bitcoin or it'll be a gray slash black market of Bitcoin transactions that spin up. And you'll acquire it by providing goods and services.

**Matty:** Yeah. That needs to happen before cbd. CS take control. Because if CBDs replace cash, which again, I don't see happening anytime soon, but if they do, then you start to get into more Orwellian scenarios. I've had enough that's

**Marty:** coming from, had enough of this, I've had enough of this. Fuck these people I know I'm bad as hell.

Who are they? The thrust of CBD C on us. They can't even, they can't even keep the [01:21:00] energy. They can't even fucking maintain the railroads. Who are they to, to force us into a cbd C pan opticon. That's what, like, again, I'm incredibly optimistic cause I think this mentality, maybe I'm naive, but I think deep down the silent majority has this like, all right, I've had a fucking enough mentality and they will civilly disobey any CBD C order.

Yeah,

**Matty:** I think you're right. I think you're right. And I think it doesn't make sense economically anyway for, for the banks with this. So yeah.

**Marty:** Should we jump into the monetary base update? ?

**Matty:** We can jump wherever, man. We can. Uh, We don't have to go too much longer. Uh, it's getting, I got tickets some time, but I got some time too.

Uh, we, we can run it on this, uh, this charting engine that I have. Actually, if you want me to put the screen back up, it's probably better than the tweets. So this one is a new one that I [01:22:00] made basically. Uh, this is, so for all, for, for those of you, I hope there's not too many, but if you're new to my work on this, like this is the money supply, the fiat money supply that works the same as Bitcoin, meaning it's the center of the system as I just talked about with, you know, banks clearing up, up, up at the top of the, the food chain with, with reserves, right?

That's, uh, that's base, that's called base money. That's the final, ultimate settlement of cash. Totally different than bank money. Totally different than when you put a bank deposit in. Um, obviously, you know, it, it sounds like I'm almost defending banks when I say this stuff, and I am defending banks from the perspective of free banking picture, but I'm obviously not defending the banks from a perfec perspective of a central bank picture.

But the central bank, obviously they're the ones that, uh, at the end of the. , they're the tap for all the money. Okay? So this is, this is the money that they create. When you say the printing press, when you say basic money, the monetary base, that's what this is. [01:23:00] And it's funny because like you can't find this anywhere.

You have to go in every Central Bank's balance sheet to actually find it. So here I broke it down this time into the top five, like liberal economies, which, you know, for now, we're still better than these human rights abusers, uh, in, you know, my neighbor, uh, in Russia, in China, and obviously, uh, many other parts of the world.

So the top five currencies there, the US dollar, the Euro, the yen, the pound, and the Swiss Franc. Basically these our top four currencies. Anyway, it's just the Swiss Franc. Uh, you would switch out with the Chinese yon in this chart versus the other. So like 85 to 90% of this light blue area is China. Shows you how huge it is.

Actually starts right here in 1999. This big bump of data comes from them. Uh, also comes from y2k, but they both happened at the same time. And uh, so [01:24:00] it's interesting. I have a G D P, also a population on this chart you can see here. So basically like back here, zoom in. Always here you have like the Nixon shock in back to like kind of the modern area of fiat banking.

The Vietnam War ended. This was Smithsonian agreement. This is kind of like a 10 year kind of bull. , like trying to keep the gold standard peg to the dollar. It didn't last very long. Not even 10 year, 10 country, uh, agreement. And it ended by 1976, and then you're basically fully, fully fiat. But anyway, here you see that the top five, uh, currencies were like 85, 90% at times of the global monetary base.

And I do hasten to say that China isn't in that data, but it's just, you know, I don't have them yet. If there's any Chinese speakers, by the way, that can help me find historical Chinese monetary base, that'd be interesting. But they were much smaller anyway during the sixties and seventies. And then, um, we were also like, you know, 67% [01:25:00] of GDP around this time in 1980, 17% of, uh, global population.

So China comes in here, they switch it, they, they, uh, they, they influence this a lot. That if you look at this, that

**Marty:** top line, is that the US dollar share?

**Matty:** Uh, the, the, the dotted line

**Marty:** that, yeah. The top line there.

**Matty:** It's the top five for sure. Okay. It's these, it's these five, it's the dollar euro and it's all five together.

Yeah, yeah, yeah. So we were at like 90, the liberal world, right? It was like 90% of the monetary base here. Yes. I don't have China in these early years, but, you know, China comes here, you see this dips here. Mm-hmm. black line. So if you go from here, it was, uh, not 80, but 70. So China was still, is, is obviously a huge part there.

But anyway, 70% of gdp, 70% of the monetary base. in 2000. And then if you go to the global financial crisis, this is what's kind of interesting is, uh, we're still [01:26:00] 70% this liberal world money, right? The euro dollar yen, it's still 70% of the monetary base, but as we know, China's like roaring part of the economy.

So we're only 50% of the economy here, which I think is interesting. Uh, falling of course a little bit in population as well. We're a little bit higher percentage of population now. We're only 12% of population. And like you said, this is what they're betting on, that like, you know, obviously this new century for them.

And even though they're just ignoring all their human rights abuses and nonsense, um, that's what they wanna try to do is take over the world from their like totalitarian regimes. But, uh, we're still 50% of gdp, but uh, interestingly, we're still 70% of GLO global money, which does show some faith, uh, some faith in, uh, in these sort of main currencies compared to like the Chinese kinda goes back to what we were saying before, right?

About like how valuable could really a Chinese [01:27:00] rubal world currency be. I really doubt that, but you know, that's what they're trying to do. So here you see the big covid stimulus we went to, uh, the total was 30 trillion. We've talked about this on your show and my show lots. And then it's, they've tried to, to, uh, to do quantitative tightening as they call it.

uh, and it's gonna start to come back up a little bit, but now it's about 27, 27 and a half trillion dollars. Uh, but the Fed also has a huge reverse repo position, which is basically base money for non-bank, like for money market, mutual funds and stuff. So you could kind of take, I'm not counting that here.

You could kind of take this back up to, to three tri, uh, 30 trillion. Bless you. Thank you. But, uh, yeah, that is the, that is the figures. And I, I, I think we're, we're still seeing, you know, you could line up interest rates and it'll be interesting to see here as well. Most of the [01:28:00] time, obviously the explosion here of the monetary base, uh, the explosion of, of what we call the printing press, it happened, as we said at the top of the show.

While interest rates were at zero or near zero levels for the last 15 years, um, especially here during Covid and during Covid, it actually got really right into the economy, you know, with all the stimulus checks, with the, uh, corporate, you know, company sort of bailouts or company stimulus, whatever you call it, right.

That was like Right, you know, needle to the vein of the system. Uh, whereas here, which you can't even see it that much, let's even take off everything but the dollar, just to show you here, after the financial crisis, this looks, so actually I take off. , this was a huge bump. Like one of the, you know, biggest bumps ever.

We went from like under a trillion to 2 trillion in, you know, in less than a year. And then, you know, that was qe 1, 2, 3, went all the way up to 4 [01:29:00] trillion in base money. But then a year we took it all the way up to even 6 trillion and you got the reverse repo facility, which is still on top of that. Um, but here, unlike what happened in Covid in here, you know, you had the Fed, which is basically just bailing out bad bets, but that money didn't get back into the system cuz they paid interest on these reserves, which there's never been interest paid on base money before, before this event.

But, um, I, I, I think that it's only a matter, a matter of time for him to start, uh, trying to print again. But like you said, they're still gonna have to worry about inflation, which is much worse than it's ever been. Yeah.

**Marty:** Well, I mean, we can get down to like the semantec of their balance sheets expanding already

**Matty:** again, 300 billion as of last week and it's probably lot more probably posted even it's even posted right now.

I'll check it. Yeah.

**Marty:** You know, [01:30:00] I know you said you don't think the likelihood is very high, but with these power moves being made as this Blake banking crisis, it's unfolding the power moves by China, Russia, Saudi Arabia, Iran, Mexico, throwing their hat in the. . I think they're definitely gonna try yon back settlement network or gold back.

**Matty:** Oh, they will. They will. They'll try to use gold and manipulate it. That gold is a part of it. Absolutely. Which is just idiotic if you buy into that.

**Marty:** Agreed. But I wonder if it will materially affect the monetary based chart. We check like q2, Q3 this year. Cause I think, I can't go back to Saudi Saudi's, the signal here, and they mentioned in January they're open to settling their, their oil trades and currencies other than US dollars specifically named Yuan and the Euro.

And then you fast forward three months to this week [01:31:00] and they're shaking hands with Iran facilitated by China. I think the first yuan settled oil oil deals will, will happen later this year. Yeah.

**Matty:** Yeah. I I, I don't know. I I just, their human rights abuses are so strong. I mean, it's like, uh, it's fun. Neither of those countries care.

Yeah. And I, I've, I go on these, it's one of the things like going on these central bank websites and seeing how they operate, like they're so bad. Like it's so . This is tell you, you talk about cbd c I mean like, they can't even, you know, bank of Iran, you can't even get on their website and. All of them are just horrible, horrible, horrible websites.

And it's just like that is the backbone of their financial system. It's just this crappy website and you don't have to go that far down the list to start to get like massive hiccups in the way that these central bank websites work. Like really, it's like Bank of England, Swiss Bank, e c b, OJ and Fed are like the only decent [01:32:00] working working websites.

All the rest are just garbage. And that's how the currencies work as well. Right? They're just garbage. So I, I don't

**Marty:** know, that's gonna be a public private partnership. Like we see. I don't see the

**Matty:** sum of, I don't see the sum of those parts being worth more than the whole No, they're gonna have to tap,

**Marty:** they're gonna have to tap in like they have in China, like WeChat, Alipay here in the us.

I'll tap Sam Altman on the shoulder, say, Hey, that world coin thing's pretty cool. We'd like to, uh, acquire that and inject that into the Federal Reserve for Circle . I think circles on the list too, like, seems like the Feds paying more attention to stable coins and it seems like circles being cornered into the big systemically important banks and wouldn't be hard to see them getting all their reserves and the systemically important banks.

And then the Fed saying, actually, you're systemically important too. We're gonna have to nationalize circle. Yeah, you're gonna need to help us

**Matty:** out. That's gonna take [01:33:00] away, I mean, that's gonna bring in no nationalizations not a good thing, but these are constitutional crises level things. That's where I

**Marty:** think these people don't care.

They hate us, Matthew, remember they hate us. They do not care about the Constitution.

**Matty:** You know what happened when, uh, FDR nationalized gold? Do you know that there was a Supreme Court vote over it? I did not. And, uh, the vote went like this. There were four judges that were for it. There were four that were against it, and one remained neutral.

And they issued three opinions, one for it, one against it, and one neutral from the chief justice. And then they just forgot about it. . That's what happened. That's what happened. They, they didn't, they didn't know what to do. It would've been a constitutional crisis to take on Roosevelt the way that he wanted to do it.

And, um, so they just let it happen. They just ignored it. Like they said, [01:34:00] you know, they, they put three votes, like three opinions, three opinions to the same thing. And they was no, no resolution. They just let it happen. They didn't, they didn't do anything and did it steal me? So that would be the worst. That would be obviously the worst thing that happened.

And it has happened. But again, I just don't see that happening with, uh, with Bitcoin. I think it's too, it's too resilient. It's too strong. Yeah. And anyway, if they, if they really do try to make it illegal and not even one US state will stand up for people's property rights, uh, it's still a good advertisement for Bitcoin because.

If you're in like Sub-Saharan Africa, you're like, well, I guess it's something valuable. , I guess I should get it.

**Marty:** Maddo. Madad. Dell's not gonna like this, but hey, anybody at the federal government out there, any of you states, I'm not gonna stop running my node. You're not getting my keys, I'm holding my Bitcoin.

There's nothing you can do about it. Come take it from my dead fucking cold [01:35:00] hands, . And even then, you're not gonna be able to get it

**Matty:** dead fucking cold hands. A better way to say it. , does Odell wanna stealth run those? Is that the thing? I don't know what he wants.

**Marty:** He just doesn't ask question. He just doesn't like being openly confrontational with the government.

Okay, gotcha. Which is what we should do as Americans. You're supposed to work for me. Absolutely. You don't tell me what to do. A

**Matty:** hundred percent, man. Seems like there are some representatives and senators and congressmen that still get that. So

**Marty:** yeah. Uh, that has been good to see. I've had Ted Cruz, I believe Massey obviously a lot of the conservatives and uh, I think, um, oh, what's his name from Oregon?

I forget his name. There's a Democratic senator as well that has stood up and say, Hey, CBDs are a no-go here. Um, presenting bills that would, that would make it illegal for a cbd. C whether or not they [01:36:00] get passed is another question. It does seem like some are paying attention.

**Matty:** Yeah, I don't see, uh, a new balance sheet posted yet.

Tomorrow, I guess. I think it's day and Thursday. Usually it gets out. So it's still morning your time.

**Marty:** Yeah, it's 11:00 AM Central. It's like noon on the east coast. Um, where's Bitcoin stand in the uh, number one man? The pecking order of, well, technically the pecking order of monetary base. It was six or seven.

**Matty:** Oh yeah. Uh, eight or nine. Can we go back to the tweet? Logan, do you have it handy? Just that summary page cuz I'm so lazy to pull it up myself. Boom. So it's eight. Yeah. Now it's probably like six. No, 10. No 10, yeah, 10 at that time. So eight. Eight, eight. Well, if you don't include [01:37:00] Golden silver 10, if you do, um,

**Marty:** so this is as of January 1st, 2023.

And

**Matty:** obviously No, it's, it's, uh, it's as of posting. So it's much the, the Bitcoin price is much more uh oh. Much higher. But the, the rest of the date is as of January, excuse me, December 31st, 2022. Regardless, I should pull up to, uh, do this with you. Um, you can keep talking while I do this.

**Marty:** I'll keep talking.

I'm gonna keep,

keep laying the seeds of civil disobedience. Don't let them, don't let them push you around anymore. They locked you down. They stuck swabs up your nose. They made you wear a mask for 70. They definitely get, get some vaccinations. Like they, they don't like you.

**Matty:** They definitely don't know what [01:38:00] they're doing.

No,

**Marty:** they're bailing out the banks again,

they lost control. And to think, any of you out there who trust the government to right the ship, you're wrong. They're the people who created this problem. They're not gonna solve the problem. You don't fix the system internally. Buckminster Fuller quote, to fix the system, you have to create a whole new system that's external to the one that's failing to actually fix things.

That's what Bitcoin does. Jerome Powell, Joe Biden, Janet Yellen, they're not gonna fix these things. There's no magical policy wand that they can, they can. What do you do with the wand? You don't swing it. You point it. There's no abra cadabra. Here's the perfect policy. It's gonna fix the problems. It's all fucked.

It's doomed for failure. [01:39:00] It's mathematically impossible for them to fix this system. This is why we

**Matty:** Bitcoin. But you're optimistic, right? You're not just pissed. Both.

**Marty:** You gotta be mad.

**Matty:** Yeah, agreed. But you know, we got good families. Eat well. Live well, you gotta do that too. True.

**Marty:** You gotta laugh. We just gotta laugh at these people.

They're laughably incompetent. No doubt about that. And they're all like 90 years old. Are we really gonna let the Yeah. The same thing . We really gonna let the 90 year olds dictate

**Matty:** what happens to us. They're gonna tell you what you can do with your computer and your phone.

**Marty:** They're six inches away from the grave

Don't let them wave. They wave w that's what you do with you. They're gonna try and wave a wand and then they're gonna die and leave you with the consequences of their decisions.

**Matty:** Don't let that happen. That's the, that's the real truth, brother, is like, what we're looking at now is, I mean, not only the consequences from 15 years ago, [01:40:00] but from 50 years ago.

I mean, yeah, it all, there's no natural reason that interest rates should have gone as high as they did in 1980 and be as low as they did in 2020, literally a 40 year cycle. Uh, it's just unbelievably insane. The whole generation. Yep. That's what Central Bank does. I mean, it

**Marty:** goes, it all goes back to the Keynesian brain rod of debt is only money we all owe ourselves.

**Matty:** Ah, it's so stupid. These people don't know anything. Uh,

**Marty:** and Kanes, he admitted on his deathbed. He's like, I'm fucking dying. It's not my problem anymore. It's your problem. This is how these people think the way the wallet. Yeah. Essentially as the end. He is like, it doesn't, yeah. That's like the fam, one of the famous canes quotes, like, doesn't matter.

Oh,

**Matty:** you mean in the, in

**Marty:** the long run we're all dead. Yeah. In the long run we're all dead. Like, it doesn't matter. I didn't know he said

**Matty:** that on his deathbed.

**Marty:** I don't know if he said it on his deathbed. Maybe I made that up, but

**Matty:** May maybe he did. I'm gonna die. Sounds about right [01:41:00] from someone like him to say that at that point.

Yeah. We're all

**Marty:** gonna die. Um, in the long run, we're all dead. But when I die, my children are still gonna be around my grandchildren. Hopefully we're still gonna be around. I can't leave these problems for them. I can't wave the wand and say, Hey, figure it out. See ya. See you on the other side. It's not the way to run.

Yes,

**Matty:** yes sir. Um,

we're bigger than India. Again. Again, just look at, in India at year end, bigger than, uh, yeah. 510 billion roughly. They are at, uh, dollar equivalent. So Bitcoin right now at 554 billion would be bigger. So it would move up from 10 to nine, including golden silver, eight to seven, not including gold

**Marty:** and silver.

And then we passed silver. What, like a 1.2 trillion market cap?

**Matty:** Yeah. We gotta get back up to that level, which we, you know, those were fun days in 2021 where we were above silver, uh, wild that we [01:42:00] passed it. This also shows you, the journalist don't know what the hell they're talking about. Like this the first news article that Bitcoin passed Silver, you know when that was?

No, it was December of 2016. Yeah. Cuz silver is what you can search it right now. I've linked it. I mean, there's news, like just memes go around idiots like saying, oh yeah, Bitcoin's larger than silver. Like Bitcoin was, you know, 15 billion maybe market cap at that point, maybe. And uh, you know, cause obviously supply lower, the price was maybe 3000 bucks.

I don't remember what it was. Right. This is 20, not the book, not the boom, not December, 2017. December, 2016 was the first time this came out and all that was, was just morons like reading somewhere about the, not the silver supply, but the annual silver production , the annual silver production and then applying that to Bitcoin's market cap.

It just shows you like, I mean, [01:43:00] people aren't rigorous with this stuff and really understanding it. But yeah, that was the first time that Bitcoin was quoted to have passed silver. When indeed, the first time that it actually happened was maybe February or March, 2021.

**Marty:** This is why we Mr. Why we sit down with Matthew four times here is cuz he's rigorous, gets us the good data.

Gotta be rigorous. I'm not gonna lie, I'm not as rigorous as you are. That's alright. It must be noted. I mean, the uh, the attention to detail that goes into these quarterly monetary updates is, uh, unmatched. There's sleuthing, shitty central bank websites. Like our, like our, that's right.

**Matty:** Matthew. Here I go through the pain so you don't have to

**Marty:** Uh, how does this all play out? What happens if p Bella's million dollar, uh, prediction does come

**Matty:** true then it's a 0.07%, almost four Sigma [01:44:00] event. But are we, number one, if that happens, which is incredible in itself. Oh, you mean, yeah, in the ranking. Um, well do the math. What's, what's, uh, what is that a tri?

Yeah, that would be 20. Is that 21 trillion? I wanna do that. Right. It'd be four.

**Marty:** It'd be a 40 x from 500 billion. So yeah,

**Matty:** 20,000,000,000,020. 20 trillion roughly. Yeah, roughly. So of course it'd be number one. Yeah. Gold is, uh, yeah, that's a good question actually. It's a good way to look at it. Gold is, uh, gold is 10 trillion, uh, available.

Gold available gold. Zoom in on this again and um, and uh, yeah, but I mean, obviously, you know, no, no one currency is there yet, but again, we could be in some hyperinflationary scenario, which he's suggesting maybe if that does happen. But, um, yeah, not, no one currency is bigger than 6 trillion or so. And then gold itself being [01:45:00] 10, uh, obviously a 20 trillion Bitcoin would be the key.

But that's another thing to think about. You know, the people that don't think there'll be any like fiduciary media. Again, I'm not, I don't mean to harp on this, I just mean to show you kinda how this stuff works. Like it's not, you can have a total closed loop Bitcoin system and you can still have fiduciary media, like start with the most laughable things and then go the other way.

So like, you can have, I mean, are you gonna have carnival tickets? Are you gonna have, like, can I, you know, is there gonna be any reason for those or is it all gonna be on the Bitcoin blockchain? Like , that's fiduciary media, so that's the most laughable one. And then you ask like, are you gonna have gift cards or is that all gonna be on the Bitcoin blockchain?

And then you would ask, you're gonna have credit cards, debit cards. I imagine that there's still a role for that. Uh, I mean even Rudolfo is talking about putting some stuff on cards. Uh, of course he's not doing like credit or debit, but like, you know, rolling out, uh, ordinals on SADS card, you got go [01:46:00] to Ordinals as well.

I don't know how you would define ordinance. He had an economic parlance if they ever have a trading, uh, A trading value. But it is true, it is true. I should say this, that lightning is very unique. Uh, it's a very unique sort of economic thing. Full reserved. Yeah. It's like fully reserved, locked Bitcoin.

That's something else that's not exactly Bitcoin, but it is Bitcoin traits in a, in a second layer. It's very interesting. So of course that's the, that's the full reserve dream of the Bitcoin is that only the lightning will will work. I, I just, I kind of doubt that that would be the case. But again, I, I'm not, they should do it.

It's great, like enjoy lightning. But if you look at the lightning capacity right now, it's, it's quite small compared to say, you know, the on chain capacity obviously. But, um, you, you can totally have fiduciary media in a, you know, closed loop Bitcoin system where it's only Bitcoin. Not even any other Bitcoins or anything [01:47:00] could totally have fiduciary media.

It's not a problem. So that's, that's another thing, like, don't, don't, don't just hate on the, all the banks just because they're morons and they're governed by a central bank. Like there is good, good free banking precedent in the market, uh, in the past. So

**Marty:** it's Hal Finney's dream. Is that in what, January or no, December of 2010.

Yeah,

**Matty:** I think that's, you know, the best, uh, example of a leader in Bitcoin who was obviously like super smart, uh, who probably knew that this was, you know, Possible scenario. Again, I'm not, I'm not saying that it has to be like only, we're only using exchanges to make payments. Like absolutely not like just do it all or should have everything.

It's like you don't just go for renewables. Yeah. Like you don't just go for renewables, you do everything. You definitely drill and you do gas and you don't flare your gas, you mine Bitcoin with it. Like you do everything. It's not a, it's not a problem.

**Marty:** Yeah. Now you can [01:48:00] even see, I can see like fiduciary media popping up with amphetamines as well.

**Matty:** Yeah. Ahei amphetamines a good example. Yeah.

**Marty:** E cash tokens. Are they fiduciary media?

**Matty:** I think, yeah. I mean that's basically, that's basically how you would describe fiduciary media basically. If, if it's, you know, it gets a, it gets a little bit weird obviously in the digital world. It's always weird, right? When we're talking about the protocol and then UT XOs and what does that mean? Like, certainly people are 90 year old leaders in Congress don't understand that.

But, um, you know, things are gonna continue to be more and more creative and interesting, uh, regardless of, regardless of, um, you know, the penetration of Bitcoin throughout society. And I do think that we'll get there to where, like a full Bitcoin standard. Uh, but anyway, it's not, it's not even like an argument that's really worth having.

We're, we're all on the same side with [01:49:00] everybody, but. . Uh, I think that to the extent that like, you wanna show that you're a Bitcoin that understands that like this stuff is for the people and it's gonna be for everybody. Like, that's just obvious that not everybody's gonna be signing up for, you know, running, uh, lightning nodes, you know, within the next year, no matter how much biology says it, or maybe how much predictions are are true.

So it's gotta be baby steps. People gotta go, like I said, earn, earn in Bitcoin. Uh, you can mine Bitcoin, uh, do any sort of different mining. Um, you can earn Bitcoin, spend Bitcoin do, just like we said in the old days, you don't have to to buy it, you don't have to trade your fiat chick coins even for it to acquire it,

**Marty:** as we like to say here, create many stats flows.

This podcast that's producing a SAT flow for us. We have our lightning address in the RSS feed. People will be spreading us [01:50:00] stats. I'm mining right now. Another stats flow. Hmm, what else? Noster, I don't know if you've looked into that. I've got my lightning

**Matty:** address there. Yeah, I gotta, uh, I gotta expand my presence there for sure.

Got my, I got my B T C pay server address on the old tweet thread. If anybody likes it or if they wantfor more information or whatnot, feel free to contact me about it. Go

**Marty:** support the work freaks. One thing I did wanna mention, since you mentioned gold, have you realized the, uh, expansion of the gold supplies seems to be increasing?

They're finding more gold Year, year out, isn't the, uh, the, I

**Matty:** think it's about one, it's about 1.8% still. Is it? I haven't noticed. Yeah. I mean, you might have noticed, uh, a collapse in 2021 and then a reemergence in 2022, a bigger

**Marty:** year on year growth, cuz the, the base got cut at the knee.

**Matty:** Yeah. Okay. But, [01:51:00] um, I didn't see anything glaring of over the last, uh, year, just the reports that I looked at.

Just, just very basic, basic. But, uh, uh, it's probably a little bit more uptick from, from what happened immediately. Post

**Marty:** covid. Yeah. Maybe I'm thinking just in, uh, in overall terms, cause obviously 1.8% a year compounded means that there's significant

**Matty:** Yeah, it's a ton of double. That's, that's the fed's number right there.

It's a doubling every 30 years, right? 1.8%. That's, that's another thing I'm trying to educate on in my channel is like, understand the importance of compound growth and 2% is not nothing. And that's what the gold supply increases. Uh, by doubles every 40 years, silver actually doubles a little bit less, which the gold bugs hate.

Silver. Silver does double less. It goes at 1.5% compounded. Uh, cuz it's just the bigger base of silver and it's just how it [01:52:00] works. It's, uh, stock to flow of silver is actually better than the stock to flow of gold. Uh, sorry. Gold

**Marty:** bugs. Stock to flow to bitcoins uniquely

**Matty:** superior. It is uniquely superior.

And they, and they also say, oops, did I just lose you? Sorry, my computer just locked.

**Marty:** No, you're still here. I can still see you. You got me still see your face and hear your voice. Good.

**Matty:** No, but it's, uh, what, what do they say now that we're on the topic? The gold bugs. They hate silver so much. Oh, because, uh, like it is true, like if you talk about industrial gold, uh, there's maybe only 10, 10 to 15% of the total stack of all the 6.4 billion ounces that have been mined throughout humanity.

Total of gold, only about 10 to 15% is industrial. Okay? And that's like constant churn, right? Some that's like recycled some that goes back into industry conductors, all the rest. Silver, it's much more, it's like 50. It's 50%. So what the [01:53:00] gold bugs like to do is they like to uh, they like to deflate the stock to flow ratio of silver by taking out the 50% of the, uh, of the stock and keeping the full flow.

But you can't do that. It's either take out half the flow, take out half the. , because that's what it is. It's still half the flow, it's coming in half the stock. Or if you wanna do that way, I would grant it to you. You can do that. And that would take the, that destroys the silver stock to flow. I can't remember in the percentage terms, but in stock to flow, like you go from being whatever it is better than gold to being maybe like four, four or five, where gold would be like 60.

Um, but they don't do the same process for silver. And by the way, when I do that, I, I, I'm taking out not just, uh, when I did that tau of four or five for silver, you're taking out industrial and jewelry and silverware, which is like a massive part of the silver market too. So you're [01:54:00] taking, you're only leaving gold bullion.

It's a very, very small fraction of silver. And then they take the full mining production per year to get this in. Insane. That's what they do. That's what they do. That's why they hate silver. So, so they'll give silver like a stock to follow, like four. But that's so unfair based on if you do the exact same thing to gold, it would still be better at this point, but it's much lower.

It, it takes the stock to flow down to like maybe 20, take this out. Yeah. Take out jewelry, take out industry, uh, only leaf bullion and gold. It's true that gold bullion is a much bigger slice of the pie, but it's still, you know, just be consistent folks. Yeah. Be consistent with this stuff.

**Marty:** No, it's funny, uh, as many countries are beginning to posture, like they're going to go back to a gold reserve.

Or a quasi gold reserve system. You stuff like the, uh, the West Australian meant sending Shanghai bunk gold or very minutely diluted gold. [01:55:00] Yeah. A lot of, uh, a lot of instances of tson popping up the gold. Yeah. I

**Matty:** think tson is more prevalent than people probably think. And, um, we've talked about this before.

I mean, you see all the trouble that like gold money had to go to, to really make sure their customers were feeling good and secure. You know, they would have like dedicated vaults inside of vaults, like separate cages, separate areas, and, you know, doubly audited twice a quarter, whatever, you know, the big doors, all that.

Like, it's fine. It's good. Go for it, but you gotta pay for that stuff. Yeah. Bitcoin is so much more efficient. That's

**Marty:** funny. I've developed a good relationship with Roy from Gold Money. I mean, this is Oh yeah. His other company. Na, that's where I got this ring.

**Matty:** Nice. He seems like a good guy. But he's not a fan of Bitcoin, right?

Or is he? He's, he, he getss it. He's coming

**Marty:** around to it. Yeah, he gets it. I mean, he is more partial to Toward Gold. We have conversations about it, but, [01:56:00] um, he gets it.

**Matty:** Do do you talk with him about Peter Schiff?

**Marty:** Uh, not

**Matty:** particularly. Schiff is an investor in Gold Money. Yeah. I believe. Uh, Turk founded it, right?

And Schiff I think is an investor.

You should, you should talk to him and report back. I will like to hear

**Marty:** Roy's, uh, one of the most, most interesting men I've ever had. The, the pleasure of meeting very, very, uh, intellectually stimulating conversations. Yeah. Whenever we, uh, hop on the

**Matty:** call. Very smart dude. Yeah, indeed. That's, that's good to hear that he's brock's Bitcoin, though.

I wasn't sure if he fully, I'd never heard him like fully go off on it. I, I, I, uh, I feel like he's, he's always gonna revert to, to gold being superior and, and, and just not really. Yeah. He

**Marty:** really likes Gold's connection to the physical world. Um, I think trying to get 'em over the [01:57:00] hump that there is a connection to the physical role of Bitcoin via energy.

But, uh, that's why

**Matty:** we have Bitcoin mining. Yeah. Yeah.

**Marty:** Yeah. Um, all right. Are we gonna win? Which

**Matty:** we we're gonna win, dude, I'm more confident than ever and I'm, I'm happy. I am happy that biology is making these bets and taking these stances, even though it's very, very rare. And like you said, that's gonna be, that's a good question you asked.

It's gonna be 20 trillion market cap , which I mean, that, that is hyper Bitcoin ization if it happens. So, uh, let's see. But yeah, I think we, I think we covered a lot of ground. Yeah.

**Marty:** All right. Let's go forth. Let's keep winning. Let's March 22nd, 20. So you'll start 23rd, you'll start, uh, gathering the data on Q1 2023.

I'm very interested. I'm very excited for, for next months

**Matty:** or end, end of April, start of May. I will, I will be gathering, but hopefully yeah, we can talk before, uh, before it gets too close to like [01:58:00] end of June. Next time. It should be a little bit quicker this time.

**Marty:** Yeah. But we've been in a bit of a lull or, or I don't wanna say a lull, but there's been a trend for the monetary updates for a year and a half.

And it seems like that trend is about to reverse with everything going on. Um, it

**Matty:** seems even though he hikes, we'll see, uh, it's still also expanding the balance sheet. I'm curious to see what happens this week. I'll do a show on it actually tomorrow when I get the, uh, when I get updated. It's, it's

**Marty:** not like exactly double speak speak, but it's like double speak where it's like, oh, we're still raising rates, which makes people think quantitative tightenings still happening, but you open up this facility and you're raising rates and still lending out

**Matty:** new dollars.

Yeah, they reversed their QT by 50% last week, so that's what people should remember. Yeah.

**Marty:** All right. Always a pleasure, sir.

**Matty:** Likewise, brother Logan son. Thanks, man. Logan, you got anything to say? Good

**Marty:** episode. Thanks. It was all Matthew. Thank you.

**Matty:** All right. [01:59:00]

**Marty:** That's all we got today, freak friend. We'll be back in May.

Probably looking forward to it, probably middle of June now, if we're.

**Matty:** I think, I think we'll be, I think it'll be in May, mid-May. All right. Mid-May. I'll hold myself to that.

**Marty:** All right. Hopefully the, uh, maybe Bitcoin will be at a million dollars by then. That'd be pretty cool. Yeah.

**Matty:** Or we could wait till mid June actually, because that's the, that's the, uh, expiry date.

But now that I think of it, , what, what's

**Marty:** the next, what if the next time we sit down here, it's at a million dollars? That would

**Matty:** be insane. . I'm glad we're talking about it right now. That would be insane. Uh, I'll have a

**Marty:** top hat on and a monocle.

**Matty:** I'll be calling you from Dubai and Baltics. Yeah,

**Marty:** I have a, a top hat of Monocle and then ak just in case, uh, somebody's coming in trying to steal, steal shit cuz everything's going crazy. .

**Matty:** Yeah. Let's see. Never, never a dull moment my friend.

**Marty:** No peace of love freaks. All right, brother.[02:00:00]