Minutes of ‘Special Advisory Board Meeting’

Q4, 2018

Blockchain Technology – The Biggest Wealth Creation Opportunity of our Lifetime ?

Highlights of the conversation:

Special Guest – Mark Yusko:

- With respect to crypto assets we are in the middle of a new gold rush, a digital gold rush, as institutional investors are becoming more interested in crypto assets.
- Blockchain technology is the biggest wealth creation opportunity in our lifetime. Ultimately all assets (stocks, bonds, currencies, commodities etc.) will be on a blockchain.
- In the future normal asset allocation strategies will include crypto assets (crypto equities, crypto debt, crypto commodities, crypto currencies).
- The best way to get exposure to blockchain technology today is through the “picks and shovels”, the companies focused on building blockchain infrastructure.
- Crypto assets (crypto commodities) won’t replace gold, they are complementary.

Ronald Stöferle:

- We remain critical of most ICOs (initial coin offerings) as many are fraudulent and will go to zero.
- The quality of the human capital moving into the crypto space makes us very confident for the future.
- We believe Hayek would have embraced the crypto revolution because it encourages competition in the currency space.

Mark Valek:

- Cryptocurrencies are interesting in that the potential payout is similar to private equity, heavily skewed to the right, but they’re more liquid.
- The downside with the young crypto people is that they lack market experience and they are prone to “go all in”.
- Asset allocation is important when dealing with cryptos because of the volatility and skewness of the outcomes.

Biography of our Special Guest – Mark Yusko:

Mark W. Yusko is the CEO and Chief Investment Officer of Morgan Creek Capital Management, LLC, a registered investment adviser formed in July 2004 to provide investment management services based on the University Endowment Model of investing to wealthy families, individuals and institutional investors. Morgan Creek currently has $1.6 billion in assets under advisement in non-discretionary accounts and discretionary funds.

Prior to forming Morgan Creek, Mark served as the Chief Investment Officer for the University of North Carolina at Chapel Hill (UNC) from 1998 to 2004. Mark, and his team, founded the UNC Management Company (UNCMC) in July of 2002 to provide comprehensive investment advisory services to the University including strategic and tactical asset allocation, investment manager selection, manager performance evaluation, spending policy management and performance reporting. The Management Company was also responsible for providing Cash Management and Planned Giving Management services as well as aiding in the commercialization of University technology and real estate development projects. UNCMC also provided outsourced investment management services to select schools within the UNC System. Total assets under management were $1.5 billion, $1.2 billion of Endowment and $300 million of University working capital.

Prior to joining UNC, Mark was the Senior Investment Director for the University of Notre Dame Investment Office, where he joined as the Assistant Investment Officer, in October of 1993. He worked with the Chief Investment Officer in all aspects of Endowment Management including asset allocation, investment manager selection, manager performance evaluation, spending policy management and reporting to the Board of Trustees. Mark was primarily responsible for portfolio construction and was actively involved in establishing and building strong programs in real estate, private equity and marketable alternatives. Mark is an Advisory Board member of a number of private capital partnerships and alternative investment programs and has served as a consultant on alternative investments to a select group of institutions. He is currently a Board member of the MCNC Endowment and President and Chairman of the Investment Committee of The Hesburgh-Yusko Scholars Foundation at the University of Notre Dame, and President and Head of Investment Committee of the Morgan Creek Foundation which he established with his wife Stacey in 2005. Mark is a highly sought after speaker for many industry conferences and events and is a frequent guest on shows such as FOX Business News, CNBC and Bloomberg.

Mark received his Bachelor of Science Degree, with honors, in Biology and Chemistry from the University of Notre Dame in 1985 and a Master of Business Administration in Accounting and Finance from the University of Chicago in 1987.

Transcript of the conversation:

Ronald Stöferle:

Welcome to our advisory board meeting for the fourth quarter. We are pleased to have Mark Yusko as our special guest. Mark is CEO and CIO of Morgan Creek Capital Management, which currently has $1.6 billion in assets under management. He is very active on Twitter, and he is often on CNBC, Bloomberg TV, Fox Business News, and a regular guest at RealVision TV.

Mark, thank you very much for taking the time.

Let's start off with some housekeeping. We just published our new chartbook on gold which is a more graphic version of the "In Gold We Trust" report. We called it "60 Charts for the Last few Remaining Gold Bugs". We timed it quite well and released it quite close to the bottom for gold. We are very busy with setting up new funds and solutions for our clients; we have a lot of great innovations in our product pipeline. We just published a new crypto research report, already the 4th edition. We have also decided to publish next year's "In Gold We Trust" report in Mandarin Chinese.

We are already in the fourth quarter and it's been a quite "interesting" year so far. We have seen dollar strength, we have seen the bond market getting nervous, we saw quite a lot of volatility in the equity market last week, and it seems that the Fed is getting increasing pressure from the White House. It seems like the macro environment will be very interesting going forward.

So let's get rolling and start our conversation! Mark, you are well known in the crypto space; what got you interested in blockchain technology and crypto currencies? And as you are mostly dealing with institutional investors, what do you feel their view on the crypto market is, are they preparing to get into the market or are they still mostly negative?

Mark Yusko:

I'll back up a bit first to explain how I had my "Aha" moment when it came to crypto. Curiously, I actually had my Eureka moment while I was driving around in Eureka, California in an RV. **It hit me that we were in the middle of a gold rush; the first gold rush happened in California in 1848, and it hit me that we are now in a digital gold rush with many of the same features as the original.**

The way my crypto journey started was five years ago when a friend of mine, Dan Morehead, who had run a macro hedge fund called Pantera, told me he was going to shut down his fund and start up two funds; one to focus on Bitcoin and one to focus on blockchain infrastructure. I was very intrigued and began to investigate and at the time I was drawn less to the gold (Bitcoin) and more to the picks & shovel (Infrastructure). Fast forward to the first quarter of 2014, Bitcoin had gotten back to $1000 after the first crash, and then it started crashing again and hit $400.

In my Q1 letter I wrote one paragraph on Bitcoin saying it could be something to think about, an interesting special situations investment opportunity. We actually had a few clients reach out and say (I think they were joking) that they would fire us if I didn't stop talking about this crazy stuff. Bitcoin did go all the way down to $166 later that year (the trough of the last Bear Market), but then it went right back to $1000 by the beginning of 2017. In 2017 I met a guy named Anthony Pompliano through a direct private investment in Lyft where we were both making allocations. The meeting was brief, but we interreacted a lot in the following months on Twitter and began to spend some time together (ok, a lot of time together) discussing the opportunities in the Blockchain space. After a few months, we decided to find a way to work together. We set up a new entity within Morgan Creek called Morgan Creek Digital Assets. We've now raised a fund focused on venture capital, the so called "picks and shovels", in the blockchain technology and crypto assets space.

Bitcoin Price (July 2012 – Feb 2017)

Source: Coinmarketcap.com

To answer your questions about institutional investor interest, we were lucky enough to have both individuals and institutions who were interested in our new fund. **We had an insurance company, a healthcare provider, a foundation, an endowment, and a couple of pension funds participate in the fund. These organizations were breaking from the ranks because most institutions have previously not been interested in blockchain technology crypto assets.** But then last week there was the big announcement that Yale had invested in the new fund Paradigm. And then a few days later it came out that MIT, Harvard, Notre Dame, Duke and UNC also had invested in this fund as well as a fund raised by A16Z.

While we were discussing the venture capital fund, we had some institutions come to us and say they wanted to potentially get involved directly in crypto as well, so we found a best in class manager to help us with the custody piece and we created the Morgan Creek Bitwise Digital Asset Index Fund, which would give institutions a way to get access to crypto. Our goal (albeit lofty) is to have the DAIF become the S&P 500 of the crypto space.

Over the last few years I've increased the amount of time I spend on crypto and today I spend more than half my time on it. One of the most interesting things about Blockchain and crypto is that the more time you spend on it, the more time you want to spend on it as you discover the vast potential of this technological innovation. Our goal is to have Morgan Creek be one of the trusted advisors in the digital age. **The more I read about crypto the more I believe that blockchain technology is the biggest wealth creation opportunity we will see in our lifetimes. Blockchain is a new operating system that will revolutionize every industry on the planet.**

Mark Valek:

You already mentioned two different ways an investor can get exposure to cryptos: direct exposure (buying cryptos), and investing in private equity (picks and shovels). I believe one could invest in listed equities as well, but it's difficult to get good exposure through them. If we stick to the first two ways, direct exposure and private equity, how do you allocate your capital to each of those categories?
I'm asking because **the potential payout from buying crypto currencies is heavily skewed to the right, i.e. similar to private equity, but it's more liquid**. I'm therefore interested in understanding how you compare the two options, and how you allocate capital to them?

Mark Yusko:

I think this is the most critical point that investors need to think about. **I think that all great networks in the future will run on blockchains, and Bitcoin is one of the first great networks.** And what people forget is that 5 of the 10 largest companies today aren't simply companies in the traditional hierarchical sense, they are networks. The value of a network rises in a different way than a traditional company, they grow in an exponential way, because of Metcalfe's law and networks function in unique ways relative to traditional assets, derive their value from different elements and, therefore, must be valued differently.

One of the challenges to institutional adoption is that most of the people in crypto today are what some refer to as the "crypto kids", young people who have experience in tech, but very little (if any) experience in the traditional investment business. They look across the river at the stodgy institutional people and they don't want to work with them because they are too different from themselves. And the institutional people who have all the money are looking back at the kids wearing black t-shirts and saying they don't want to work with them either. Stalemate.

I think that eventually there will be an intersection of these communities and I think it will be big. It reminds me perfectly of the first time I introduced the idea of investing in hedge funds to the board of Notre Dame back in the early ‘90s. They said “absolutely not’ because that was where all the “bad people” were. Morgan Creek, and other companies, helped people get comfortable with the notion that you have to follow the talent, **even when the talent is migrating to a space, that’s not exactly where you want to go. I’ve only seen this once before in my career, and that was in the early ‘90s when tons of really smart people left great jobs in great industries and flooded into the Internet, and it literally changed the world. I believe the Blockchain evolution might be even bigger.**

Going back to your question about asset allocation, currently the vast majority of people have zero exposure to Blockchain technology and crypto assets. I think that ten years from now, if you are a fiduciary, zero will not be deemed as an appropriate weighting to crypto assets. Having an allocation to crypto will be normal and actually will be expected. In fact, we can take this one step further and say that in the future portfolios will be 100% digital assets and investors will allocate across the crypto equities, crypto debt, crypto commodities and crypto currencies. And I believe that **the best play on blockchain technology today is through the picks and shovels**; the companies that are forming to put in place the infrastructure that will be needed to go from the Analog world to the Digital world.

Moving on to the question of cryptocurrencies, there actually aren’t that many on the market, yet most people are confused by the media reports of thousands of cryptocurrencies. There are only about a dozen cryptocurrencies, tokens that are utilized as a store of value and/or a medium of exchange. There are thousands of utility tokens that are not crypto currencies. Utility tokens provide access to a network, but they don’t provide any ownership or share of cash flows, so they are not securities. **There is a whole new category called security tokens that will come in the future and I believe every asset in the world will end up with a security token as opposed to a paper certificate.** So between the three categories of crypto currencies, utility tokens and security tokens, we like cryptocurrencies as a store of value, as digital gold, particularly Bitcoin. We like Ethereum as a platform business, sort of like the “www.“ of the Internet, or what I have dubbed the “Trustnet”. We had the Internet in ’96, we had the Mobilenet in 2010, and in 2024 when that technology is mature, we believe it will be dubbed the “Trustnet”.

I think everyone should have at least a 1% allocation to crypto currencies because it has such an asymmetric payout. If you are younger, you might want as much as 3-5%. I also think you should have a few percent in the picks and shovels which are focused on building out the infrastructure. Moreover, now I can also make an argument that you can have some exposure to lending or utility tokens. **But the problem with ICOs and utility tokens is that 90% of them are going to go to zero. However, the ones that don’t fail can make you 10x-100x your money.** Therefore, if you are able to identify utility tokens with good technology you should definitely try, or better yet, seek a great venture capital partner to help identify great technology.

Ronald Stöferle:

This resonates well with what we wrote in our most recent crypto research report. We are critical of most ICOs.

Mark, I want to change the topic slightly now; Mike Novogratz recently did an interview on RealVision and he talked about the financialization of the crypto space. There are many companies preparing to enter the market very soon; we've seen it with Fidelity, and we've seen it with the Swiss stock exchange who's building a great team. There are several established players coming into the market.

Novogratz said that when it comes to talent it's completely upside down because the 20-25 year olds have to explain the technology to the senior guys. These young people see opportunities and they want to disrupt industries, which is a very different mindset compared to the traditional finance and asset management people who complain about margins getting lower, regulation being tough etc. **Therefore, not only is there financial capital coming in to the market, but also human resources, which makes us confident for the future.**

Source: RealVision and youtube

Mark, what is your opinion about the financialization of the sector; will it be normal for an institutional investor to have a small allocation in the crypto space, say three years from now, or will it take longer?

Mark Yusko:

On the financialization, the institutions won't move into any asset until they feel comfortable with custody, accounting, record keeping, security etc. It's part of what kept them out of hedge funds early on, it's also partly what kept them out of private equity, buyouts etc. in the early days of private investing. Another important element of adoption is the regulatory environment and there are encouraging signs that are pointing toward regulators supporting crypto assets.

If you think about assets, there are only four that you can own: Stocks, Bonds (debt), Currencies and Commodities. Ultimately all those will convert to a digital structure and we will have crypto versions of all four. And what crypto means is cryptographically secure, benefitting from a single point of truth, on a Blockchain, and we won't need a trusted third party or record keeping system to validate transactions. People are getting more comfortable when a multi-trillion dollar player like Fidelity says it will custody assets for hedge funds and other clients. And when the Swiss stock exchange says it will work on digital assets, it's a very big deal. These things point to that it will be commonplace to have some exposure to crypto assets, and I think it will happen sooner rather than later, and therefore three years is a reasonable timeframe.

Most of the great innovations come from the creative class, which is usually young people, because they have not developed a lot of the biases that older people have. The big wave of innovations happens when this group of young people gets dissatisfied with situations that don't make sense to them. An example is the 2008 global financial crisis that was essentially created by the people in charge doing things they shouldn't have done. And it damaged the trust; there's a whole generation of people that don't trust the big financial institutions. They want transparency and control. They won't use brokers; they'll use digital wallets because that's what they trust. I think we will all go down that path, following the generation that was forced to lose trust in the financial institutions.

Mark Valek:

Mark, you are bringing up a lot of points that Ronni and I have discussed internally. For instance, the fact that so much human capital is flowing in this direction. In our fund presentation we have a slide that lists secular trends which will help the market grow. We have listed ten points, and **the most important point highlights that the most valuable resource is moving into the ecosystem rapidly, human capital.**

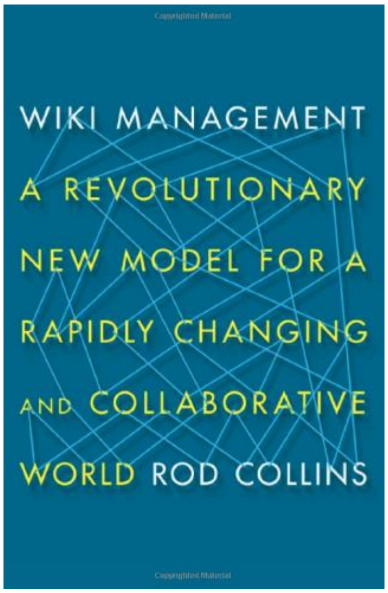
The other important thing you mentioned is the gap between the crypto community and the traditional financial community. With Incrementum's crypto research report we want to bridge the gap. We have been in the market for a while, but we are still not very senior. **I think experience in financial markets is important because what we see with these young and enthusiastic crypto people is that they lack market experience and they are prone to "go all in".** Personally, I've had experience in asset allocation and with alternative asset classes and **I understand how important asset allocation is when dealing with cryptos because of the volatility and skewness of the outcomes.** I don't have to bet the house to be well off. I can take money off the table on the way up, e.g. every time you have a 10x.

You already mentioned the difference between payment tokens and utility tokens. You mentioned that you don't think the technology for utility tokens isn't mature enough for them to be implemented fully now. How would you go about buying different utility tokens? Because it requires a lot of research and understanding.

Mark Yusko:

Absolutely, the rabbit hole is very deep, and it gets wide at the bottom (laughs). No single person can do it all, so I rely on other smart people, like yourselves, who publish great information about crypto. We built Morgan Creek Digital and we brought in two senior guys and a few junior guys. We also partner with other funds, and what I love about this space is that it's collaborative. There's not too much money chasing too few deals. People want to help each other.

Yesterday I spent an hour with a guy who could be seen as a competitor, but he saw himself more as a collaborator. He wanted to share deals and ideas. He's got analysts working on deals so if he looks at something and believes it's good enough for him, then it's good enough for me because I trust him. And vice versa.



Three weeks ago, I heard a guy named Rod Collins speak and he wrote a book called Wiki Management and he clued me in on something I knew in my gut, but that I couldn't articulate yet; **all of the history of business is about a hierarchical structure that leverages the single smartest person in the organization. The whole company exists to leverage that one person's brain. That model is fine and it has created a lot of wealth for a lot of corporations, but the collective intelligence of a company, community or population is much smarter, more effective, and more efficient**. So what Wiki is an example of is that one person deciding what goes in the Encyclopedia Britannica is fine, but the whole world deciding what goes into Wikipedia is way better. I think that's where we are in this area; if we all try to do deals for ourselves we might get some good ones, but by collaborating and taking advantage of the collective intelligence the opportunities are much bigger.

For example, if we look at the question of Ethereum versus EOS, it's a very complex question. You can make the argument that EOS is the Ethereum killer, but you can also make the argument that Ethereum wins because of the Law of Increasing Returns. As a side note, Paul Romer just got the Nobel prize for his work on the Law of Increasing Returns, which is **the counterintuitive notion that the more competitors there are in a condensed space, the more value is created.** I read his paper about the law of increasing returns 30 years ago when I was in business school**.** The law works like this: if there is one gas station on a corner, you make some money. If there are two, you make more money. If there are three, you make even more, and if there are four you make way more money because everyone knows that that's where you go to get your gas. I think the same is true for crypto; we can have the global village, and collective intelligence of the community, working for us. **Blockchain frees us from the hierarchy and let's us take advantage of this collective intelligence model, where everything is bigger, better, faster, stronger.**

Ronald Stöferle:

That very much resonates with Friedrich Hayek who wrote about the use of knowledge in society, one of the best articles that I have ever read. Hayek, as we know, also got the Nobel Prize. He was in his 70s when he was writing about competition of currencies. **In our latest "In Gold We Trust" report we wrote a chapter about what Hayek would have said about the crypto revolution, and we believe he would have definitely embraced it, because as Austrian economists we like competition. Why wouldn't there be competition in the currency space?**

Mark, I'd like to ask you about crypto in relation to gold. Many of our readers and clients are interested in gold and they seem to fall into two camps with relation to crypto: they see crypto as the enemy, or they see it as digital gold. What are your thoughts on this?

Mark Yusko

I think there is a reason gold has been money for five thousand years. An ounce of gold has bought a fine man's suit for about 5,000 years. That makes sense to me. If you look at the S&P in nominal terms, it's gone up, but if you compare it to gold it's lower then where it was in 2000. Gold has the four characteristics of money, but certain things are challenging about gold. It's heavy, it's hard to transport, it's not very divisible (it's difficult to break off a piece of a gold bar). When I think about Bitcoin I see it as digital gold. It's more easily divisible than gold, and it's more portable. If I want to go across the border with more than $10,000 in gold it's kind of dangerous, but if I want to go across the border with $10,000 in Bitcoin it's easy because it's on my cellphone.

S&P 500 Priced in Gold

Source: Macrotrends.com

Another advantage is that Bitcoin is a bit more exciting for the millennials, than gold is. They rather want to own cryptos, than gold. **I don't think crypto commodities will replace gold.** There are certain situations where Bitcoin won't work. It could break down if there is a newer technology, or if quantum computing is real, there are all kinds of things that could happen in the digital world., i.e. the fear that the machines will take over. I actually have this recurring nightmare, and I'm not making this up, where I go to the ATM, but it says I don't have any money. How would I prove I have the money? I don't have the paper statement anymore. It's just my word against theirs. There is no blockchain to say who has the money. That's my fear in this fiat world.

And then there's the little known fact that when you put your money in the bank it's not yours anymore, all you have is an IOU from that bank, and if the bank goes bust you lose your IOU (you do have insurance up to a certain amount, but not enough in the insurance pool to cover everyone). But nobody talks about that. Personally I own a bit of gold, I own a bit of Bitcoin, and I think they are complementary assets, not replacement assets.

I actually have a cool tie, it's the Bitcoin/gold equivalence tie. There's a little scale with Bitcoin on one side and gold on the other; and the point is that Bitcoin does not replace gold. Bitcoin/gold equivalence just says that if we think that there is demand for $7.4 trillion of value stored in physical gold around the world, then we could get that same amount of value in a more divisible and more portable store of value and just remove some more fiat risk capital from the system, into a safer and more sound monetary system. That would put Bitcoin at $400,000-$500,000 per unit, depending on how many units you think there are left. I think gold and Bitcoin can co-exist peacefully, but I do think there is a preference from the younger people for digital over physical, but someone will figure out how to digitize the physical and then it will be cool, and millennials will own it.

Ronald Stöferle:

Excellent, Mark. We've touched on a lot of topics. To wrap it up I'd like to ask you one final question as we are entering the fourth quarter; the macro environment is interesting as bond yields have risen significantly, volatility has come back, there have been some cracks in high momentum stocks, below the surface the US economy is not doing that well, and there's a fiscal sugar high, but the housing market is very weak. **What do you expect to happen in the fourth quarter in terms of market developments? What are your key views for the next couple of months?**

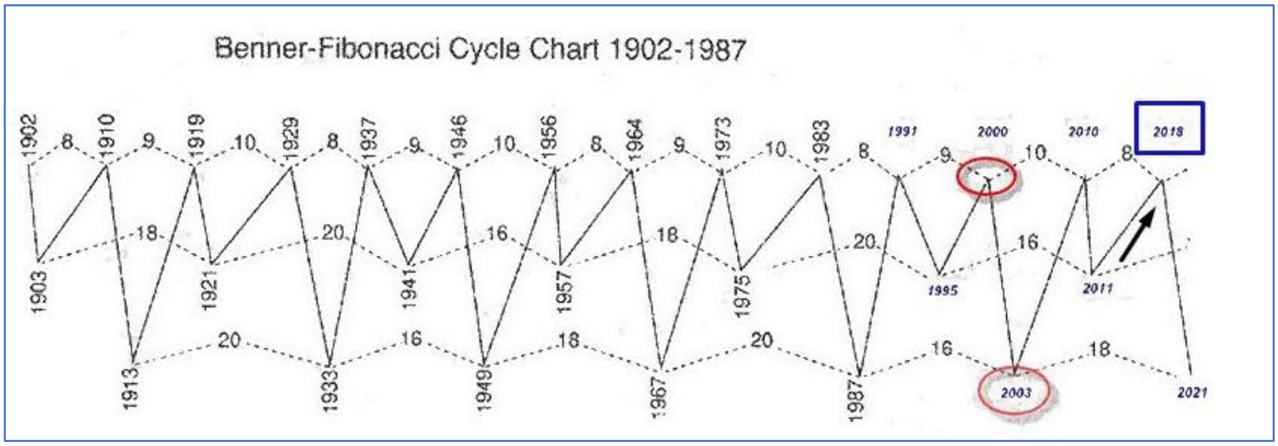
Mark Yusko

I love that question and I'm never shy to answer it. My wife actually joked with me one time and said "how can you say things like that?", and I said "what do you mean?". And she said I was so forceful, and said that people will actually believe me. And I told her that was the idea!

I'm not going to be right all the time, but I will have a view. And in this business if you change your mind people will be very upset. I recently had a person telling me that in 2015 I said the market was going to go down and it didn't, and I was thinking to myself that I've probably changed my mind seven times since 2015. In 2015 I said the market was going to go down because we were on the verge of a recession, every indicator said we were. But then China put $1 trillion of stimulus into the global economy and we didn't have a recession. So I changed my mind. We went long, and we made money. So you have to be able to change your mind when new information comes along.

A year ago I wrote a long piece saying that 2017 would turn out to be very much like 1929, following the Trump election. What I realized is that I was early. I think it actually will turn out like that, but I was early by two years.

If you go back to Sam Benner and his "56 Year Benner Cycle", he predicted the 1929 crash, the '91 crash, the 2000 crash and the next crisis he saw, back in 1904, was going to happen in 2019. And I think everything is lining up for that nicely.



Source: Stockboardasset.com

Currently we are in the equivalent of the year 2000; there's a tech stock bubble, there are IPOs with no earnings, there's global consternation about growth and trade etc. All those things are playing out like 2000. The market rolled over in March of 2000 and then recovered into September and October, and rolled over hard towards the end of the year. And it was down about 9% in the year. What's interesting in 2018 is that we rolled over in February, we recovered back through September and now we are rolling over again. **I think we have seen the highs and will finish down single digits for the year.** The recession happened in 2001, and it was a shallow recession. Q1 was negative, Q2 was positive, Q3 was negative, the whole year was actually up 1% and yet it was a recession. The market was down about 12% that year and then we had the big down year in 2002, albeit exacerbated by 9/11.

S&P 500 price chart in 2002

Source: Yahoofinance

I think the trade wars are the equivalent of 9/11. Trade wars are never a good idea, wars have no winners. I say that China is playing the Chinese game of “Go”, while Trump is playing “go fish”. He is so outclassed by the Chinese Leadership it’s not even funny. There’s a great picture from the ‘30s about Chinese-American negotiations. There were all these old Chinese guys negotiating with these young American guys. But if you look at the delegation that went over this time it’s reversed, it’s the old American guys that went over to see the young Chinese guys. And the young Chinese guys are eating the old Americans for lunch. China is way ahead on this. Their export number was up 14% last month. They are just killing us.

Source: reddit.com

The bottom line is that I think we will have a slowdown in 2019 and markets might roll over pretty hard. I think bonds and stocks will struggle, and I think it's a time to explore alternatives. My focus lately has been real assets, like gold and commodities. They are the cheapest they have ever been versus paper. In the game rock, paper, scissors, paper always beats rock. However, I think that in this new abnormal world, as a result of the debt super cycle, rock will beat paper. **Real assets will crush paper assets over the next decade.** And I think crypto will be somewhere in the middle. I think you will have to have a different asset allocation to achieve your goals, **and I appreciate everything Incrementum is doing to make that happen for investors**.

Ronald Stöferle:

Thank you very much for your kind words, Mark. It's been a real pleasure.

Mark Yusko:

This has been fun. Thank you for having me.

Appendix: Permanent Members of our Advisory Board

Zac Bharucha

Zac began his career in finance at the investment bank Kleinwort Benson and later became an equity portfolio manager at Philipps and Drew Fund Management. He then moved to AMP Asset Management where he was responsible for managing more than GBP 1bn of institutional assets. Afterwards, he moved to M&G in London. Since 1998, he has developed absolute return strategies and specialized in equities and commodities. After 25 years in asset management, he retired from professional life in 2011 and wrote his first book about market timing.

Heinz Blasnik

Heinz is an independent trader and market analyst for the consulting firm Hedgefund Consultants Ltd, as well as an author on Austrian economic theory for the independent research house Asianomics in Hong Kong. Heinz also publishes the blog www.acting-man.com, on which he analyses developments in the financial markets and the economy from an Austrian School perspective.

James G. Rickards

Jim is the author of the international bestsellers *Currency Wars* and *The Death of Money: The coming collapse of the international monetary system*. He is portfolio manager at the West Shore Fund. During his career, Jim has held senior positions at Citibank, Long Term Capital Management and Caxton Associates.

Dr. Frank Shostak

Frank is chief economist at AAS Economics. He has over 35 years of experience as a market economist and central bank analyst. He holds a PhD, MA and BA honours from South African universities. He was professor of economics at the Witwatersrand University in Johannesburg. He is one of the world leaders in applied Austrian School of Economics and an adjunct scholar at the Mises Institute in the US.

Rahim Taghizadegan

Rahim is the founder and director of the institute for value based economics, an independent research institute in economical and philosophical issues in Vienna. He is bestselling author and a popular speaker internationally. Rahim studied Physics, Economics and Sociology in Vienna and Lausanne. He has worked in the fields of economics, space research and journalism. He has also taught at the University of Liechtenstein, the Vienna University of Economics and Business Administration and the Universität Halle an der Saale.

Ronald-Peter Stöferle, CMT

Ronni is partner of Incrementum AG and responsible for Research and Portfolio Management.

He studied Business Administration and Finance in the USA and at the Vienna University of Economics and Business Administration, and also gained work experience at the trading desk of a bank during his studies. Upon graduation, he joined the Research department of Erste Group, where he published his first "In Gold We Trust" report in 2007. Over the years, the Gold Report became one of the benchmark publications on gold, money, and inflation.

Since 2013 he has held the position as reader at scholarium in Vienna, and he also speaks at Wiener Börse Akademie (i.e. the Vienna Stock Exchange Academy). In 2014, he co-authored the book "Austrian School for Investors" and in 2018 "Die Nullzinsfalle" (The Zero Interest Rate Trap). Moreover, he is an advisor for Tudor Gold Corp. (TUD), a significant explorer in British Columbia's Golden Triangle.

Mark J. Valek, CAIA

Mark is partner of Incrementum AG and responsible for Portfolio Management and Research.

While working full time, Mark studied Business Administration at the Vienna University of Business Administration and has continuously worked in financial markets and asset management since 1999. Prior to the establishment of Incrementum AG, he was with Raiffeisen Capital Management for ten years, most recently as fund manager in the area of inflation protection and alternative investments. He gained entrepreneurial experience as co-founder of Philoro Edelmetalle GmbH.

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About Incrementum AG

Incrementum AG is an independent investment and asset management company based in Liechtenstein. Independence and self-reliance are the cornerstones of our philosophy, which is why the four managing partners own 100% of the company. Prior to setting up Incrementum, we all worked in the investment and finance industry for years in places like Frankfurt, Madrid, Toronto, Geneva, Zurich, and Vienna.

We are very concerned about the economic developments in recent years, especially with respect to the global rise in debt and extreme monetary measures taken by central banks. We are reluctant to believe that the basis of today's economy, i.e. the uncovered credit money system, is sustainable. This means that particularly when it comes to investments, acting parties should look beyond the horizon of the current monetary system.

Cautionary note regarding forward-looking statements

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