**FINANCIAL SERVICES FOR RETAIL QUESTIONS**

1. **Did the passage of the stimulus bill have as big of an effect on Bitcoin and other crypto markets as many thought that it would? Why or why not?**

Cryptocurrency prices are based upon the U.S. Dollar, so any announcement by The Fed, Treasury, or government that dilutes the Dollar should make a commodity go up in price. Bitcoin enjoyed a bump from this. But dwarfing the impact of diluting the Dollar is the message this sends the world that the Dollar is losing power to hold as the global Reserve Currency and best store of value. This impacts T-Bills, trade, military spending, U.N. commitments – just about anything the world counts on the United States to guarantee that is backed by the Dollar. This means an acceleration in devaluation of the Dollar. And with the White House, Congress, Janet Yellen, and The Fed hinting at even bigger stimulus bills soon, this sends out a message for investors on a personal, retail, and institutional level to find a safer asset class, especially one that appreciates or delivers some form of “Interest” now that banks don’t. DeFi in many cases does offer Interest, and volume surges there, and into Bitcoin and Altcoins for good reasons. It is as if The Fed and government are driving faith in the Dollar away to any safe haven. The only question is if this is a planned trap? Did they create an offramp or “island of fiscal responsibility” leading to greater doom through regulations and punishments?

1. **BTC spent a moment over $60K but hasn't managed to recapture it. Why is this?**

Momentum for Bitcoin was driven by several big players engaging cryptocurrency systems, including but not limited to MasterCard, PayPal, Tesla, and Chase Bank. Then Futures with “longs” and “shorts” provided windfall riches that get headlines and tempt traders to push new limits. New forms of the old synthetics will be created in the name of “more liquidity and volume.” Add to this recent regulatory approvals for Exchanges, the expansion of DeFi, and the Nifty craze -- and this brings (literally) crazy news reports! It’s exciting and good for many reasons, but then Bitcoin hits a wall called “reality.” On the “real” war front, an army cannot advance too far ahead of its food supply chain. The army of crypto Bulls and traders got ahead of “hot” or “dumb” money, which is part of the financial food chain. Add to this the fact that miners are hodling newly minted Bitcoin to create more of an artificial shortage. Next, watch Nigeria’s Bitcoin premiums, and this gives people an idea of the premium certain Bitcoins can earn on the Dark Net, which can also explain why so many Bitcoins seem to not have moved for five years and are considered “lost.” But the most impactful change preventing Bitcoin from holding well over $60,000 comes down to Microstrategy and Grayscale reaching the limits of their buying spree. The most significant proof of this was the inversion of the Grayscale premium. Second proof is in the high value of DeFi networks. Yet, the bigger reasons Bitcoin won’t hold over $60,000 haven’t hit the news yet, they will appear between now and the end of April.

1. What are the most powerful influences currently in play in the DeFi world?

The DeFi world (running tangent to the NFT craze) holds an incredibly large percentage of investment into cryptocurrencies for DeFi. But DeFi, NFT craze, and Derivatives can lead Bitcoin down a dark path that leads to the very thing Satoshi created Bitcoin to avoid: overspeculation and governance without accountability. Now merge this with the fact that hot investment through DeFi hasn’t proven itself in courts or against conventional investment models. Essentially, DeFi is leveraged investment and loans based upon something with an implied value but not an essential commodity value (like oil, coffee, or gold.) This means the most powerful influence in DeFi is opportunism or legend, and its device is timing. One report said loans to get into various cryptocurrency markets is leveraged 50 times any collateral or common sense value held by the investor. This is unsafe and unsustainable, as only one collapse will prove. Yet … The era for DeFi will continue to rise for quite a while, until bigger hacks, worse regulations, and onerous taxation from various nations especially the U.S.A. delivers a gut punch to various DeFi arenas. And to top this off, we now have Climate Change activists aiming at Bitcoin and mining, which really means, they will figure out a way to distribute profits off DeFi to “needs” they create, and this will be passed down as higher transaction fees or taxes on DeFi moves. Both DeFi and NFT’s should be recognized as zeitgeists, and not just in the financial world, but the social and political world whence the deep “soft power” came. The zeitgeist carries two signs: “The End Is Near” and “Salvation Here.”

1. **Has the hype around the NFT space died down at all? Or is this just the beginning?**

Here is a way for your readers to understand the NFT stage we are in now. Imagine NFT’s as a magic performance. We see magic happen, and we want to see more, we want to believe in magic, and we don’t want to see how the trick was pulled off. We’ll tell our friends all about it and they’ll go to engage in it, too. The magic phase of Nifty’s is upon us. It creates value as if by magic. This does not mean that the value is fake. But magic will need to be replaced by reality. Sci Fi often shows us the future, so this isn’t a zombie apocalypse, it is a message from an alien source. That alien source is the power of decentralized incentives to prove “I matter.” The NFT artists matter now, and fans of decentralized proof of work, proof of stake, and store of value proved they matter, just like they did with GameStop. Now, what is different is that the very exclusive old-school art world does not have the power to halt investing so the big guys can get out with profits, like they did when they froze small GameStop investors but let big players get out well. NFT’s are just starting. Now is the time for people with deeper understanding of how to create “durable” NFT investments or art to lead the craze. There are several ways to ensure an NFT will maintain value, but few thought leaders can deliver the prerequisites within a vertical system. The first entity that can both deliver the products and lead the innovation will dominate the NFT world. For now the NBA is the closest to it but needs thought leaders to keep them from “double-dribbling” or fouling out of the NFT game.

5. Other thoughts/hot takes?

No institution, person, or business has been allowed to accelerate the devaluation of the U.S. Dollar for long. History proves that whether it is cash, gold, property, or stock, the U.S. agencies will punish challengers through seizure, arrest, or taxation.

From my book THE STATE OF CRYPTO ADDRESS I present what I call the Nine Nazguls of Cryptocurrency: I.R.S., The Fed, D.E.A., S.E.C., N.S.A., OFAC, CFTC, FinCen, and Dark Net. The “One Ring To Bind Them” is the circle created by “Anonymous – Decentralized – Scale.” And it will gall the Nazguls until they control this Ring giving invisible (as if by magic) control over an individual’s right to pursue wealth, hold it as a store of value, and earn profits outside of the few systems that charge fees or taxes as if everyone is in perpetual serfdom. Can Bitcoin halflings avoid Sauron’s Evil Eye or its many minions? To move from $60,000 to $100,000 requires faith in the Fellowship of Exchanges, Asset Management firms, DeFi systems, et al. And a deeper knowledge of the physics and core principles of the main forms of cryptocurrency and Blockchain technology, from Bitcoin, through Enterprise Ethereum and the JPM Coin, to NFT’s. But, there is a quiet force propelling this move, and it is offered to crypto enthusiasts by the policies created by the Nazguls because they are accelerating the obvious erosion of trust in agencies and the U.S. Dollar.