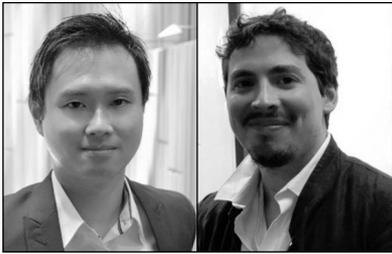




4 Easy Ways to Buy Bitcoin – *Without a Crypto Exchange Account*

By Juan Villaverde with Bruce Ng



Fascination with Bitcoin is running red-hot, and it's not hard to see why.

On the pretext of pandemic panic, the U.S. Federal

Reserve just printed a whopping \$2.9 trillion in 13 short weeks.

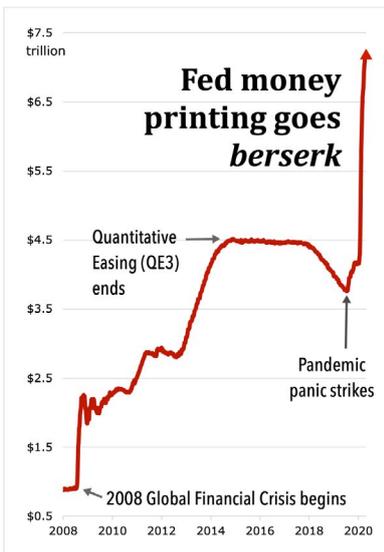
A mind-numbing number, let's try to put it into context. Over the six years following the 2007-09 Global Financial Crisis, the Fed printed about \$3.5 billion to keep the economy from imploding.

Now, it's just packed the near equivalent of six years of money-printing into a single quarter!

This is industrial-scale corruption of currency, and it's releasing elemental forces that will *not* be contained.

Bitcoin was invented in October 2008 amid the GFC as an exit-ramp from a currency system on the eve of extinction.

Like gold, it gives you a safe place to store your wealth as well as the wherewithal to ride out the monetary apocalypse that's bearing down on us.



But it hasn't always been easy for average investors to buy. Opening an account at a cryptocurrency exchange (a crypto broker) has often been a tedious, frustrating process.

Happily, much has improved in recent months. Many cryptocurrency exchanges have become less intimidating. But, often, you may not need them *at all*.

Here are the four easiest ways to buy Bitcoin *without* a crypto exchange account.

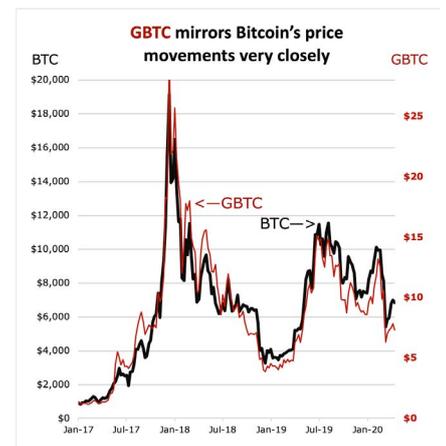
No. 1: Use Your Regular Stockbroker to Buy Bitcoin (and Other Cryptos)

Grayscale Bitcoin Trust (OTC: GBTC) is a publicly listed closed-end fund that holds Bitcoin.

That means *anyone* can buy and sell it (through their regular stockbroker) *without* restriction. Plus, its price movements follow Bitcoin very closely.

That makes GBTC virtually the financial equivalent of trading Bitcoin itself – but *without* having to learn to negotiate the unfamiliar world of crypto ...

GBTC follows



Inside this Issue ...

Bitcoin's price movements so faithfully that if you graphed them together you could scarcely tell them apart.

In fact, the correlation between them (on a weekly basis) runs a very high 0.95 (where 1.0 is a *perfect score*).

During 2017 – as the wild and woolly crypto bull market sent Bitcoin blasting up to all-time highs – GBTC shot up *more than 1,300%*.

Accordingly, I think it's fair to say buying shares in GBTC is *almost* the financial equivalent of investing in Bitcoin itself. And that's a great thing – especially if you're a newcomer to crypto, with little or no time to spend familiarizing yourself with this quirky new class of investment assets.

For example, GBTC saves you having to mess with opening cryptocurrency exchange accounts and downloading digital wallets – both of which you need in order to trade Bitcoin directly. Instead, you just ring your stockbroker or log on to their website and type in your order.

So far, so good. But I would be remiss if I failed to point out that there are also a couple drawbacks to buying Bitcoin in the form of GBTC shares.

High management fees. Greyscale Investments LLC charges shareholders a hefty 2% of GBTC's net asset value (NAV) every year to operate and administer the fund.

That's a bit steep – especially for fund managers that don't do any investment research. (On the other hand, it's not out of line with the handful of other single-crypto stock funds that have come to market.)

Big premium to NAV. According to [Grayscale](#), one GBTC share is equal to 0.00096054 Bitcoin. That makes it dead simple to figure out how much it's really worth.

Just multiply that long decimal by the current dollar price of Bitcoin. The product you get is called the net asset value. Now, check the quoted price of GBTC on the stock market. It's always considerably *higher* than the NAV, often by 20% to 35%.

Pandemic panic knocked that premium down into the low to mid-teens. But this is still a significant risk because closed-end funds, as an asset class, historically trade at a *discount* to NAV, not a premium.

The good news is, there are two ways to avoid paying the premium ...

1. Buy GBTC at NAV by subscribing to one of its new share offerings.

But these are private placements available *only* to "accredited" investors, as defined by the Securities and Exchange Commission. To qualify, you typically must earn at least \$200,000 a year or have a net worth of \$1 million or more.

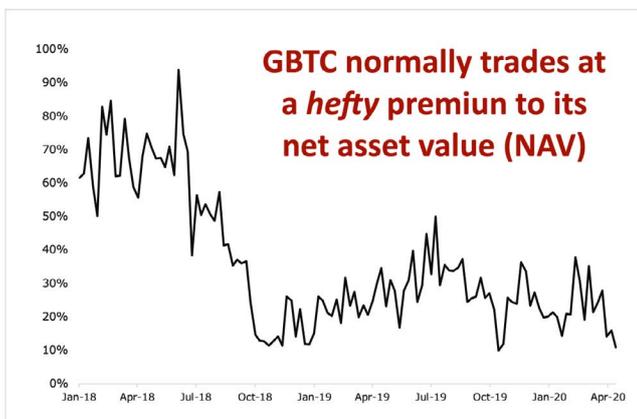
On top of that, any newly issued shares you buy are subject to a one-year lock-up before you can sell them. That will certainly require a *strong stomach* – given the wild price swings Bitcoin is famous for.

2. Buy the Bitcoin exchange-traded product (ETP) listed on the Swiss stock exchange.

Switzerland-based [21Shares AG](#) offers the **21Shares Bitcoin ETP (Swiss Stock Exchange: ABTC)**. ETPs are similar to exchange-traded funds (ETF) and exchange-traded notes (ETN) in that they are engineered to precisely track the price of a specific investment asset.

Like, for example, gold. Or, in this case, Bitcoin.

The Bitcoin ETP tracks the movements of Bitcoin itself very closely (with a correlation of 0.91), and it boasts a surprisingly modest management fee (1.49%). You can buy and sell shares through any stockbroker licensed to execute trades on the Swiss stock exchange, such as [Interactive Brokers](#)



or [TradeDirect](#).

No. 2: Use a Free, Downloadable, Do-It-All Digital Wallet

A digital wallet is a secure, encrypted location (usually on your smartphone or PC) where you store your cryptocurrencies. A *do-it-all* wallet not only safely stores Bitcoin (as well as dozens of other cryptos). It also lets you purchase the Bitcoin to put in it — usually with a charge-card.

(Plus, if you get the itch to trade, you can swap your Bitcoin for any other cryptos it accommodates at prevailing market prices — all inside the wallet.) Best of all, the following do-it-all wallets are all *free* downloads.

Atomic Wallet (<https://atomicwallet.io/>)

Atomic is a popular laptop/desktop wallet that accommodates Bitcoin (and about 300 other cryptos). It's very secure, because you — and you *alone* — hold the private keys that control access to it.

You can buy Bitcoin with your Visa or Mastercard — for which Atomic charges a 5% fee per transaction. (And you can trade your Bitcoin among any of the other coins the wallet supports — at market rates.)

There's also an Atomic app (for Apple and Android smartphones), which syncs with your desktop installation. With it, you can check prices (or trade) anywhere you have an internet connection.

Exodus (<https://www.exodus.io>)

Exodus is another laptop/desktop digital wallet for storing Bitcoin and several dozen other cryptos. Because you are in sole possession of the private keys, security is very strong.

(As with Atomic, Exodus allows you to trade among any of its supported cryptos — inside the wallet.). There's also an Exodus app for Apple

smartphones, which syncs with the desktop installation.

Plus, you can use Apple Pay to buy Bitcoin. This service is presently available in 43 U.S. states. (It's still awaiting approval in Connecticut, Hawaii, New Hampshire, New York, North Carolina, Vermont and Virginia.)

OK, here's a third easy way to participate in crypto markets ...

No. 3: Take Advantage of Remittance-Service Companies Moving into Crypto

Imagine a Western Union account you could *also* use to buy and sell crypto — and you've got the basic the idea.

Recently, a number of remittance companies have been adding “buying and selling crypto” to their menu of services. As such, they bring to the table some benefits that crypto currency exchanges rarely, if ever, offer.

Among crypto-enabled payment-services platforms, one of the ones we found easiest-to-use is [Uphold.com](https://uphold.com). It allows you to:

- Buy, sell and trade Bitcoin, Ethereum and 32 other cryptos — including popular stablecoins like USD Coin, DAI and Tether;
- Buy, sell and trade virtual gold, silver, platinum or palladium. In addition to Bitcoin, precious metals are also desirable stores of value in a world where flagrant money-printing runs wild;
- Buy, sell and trade U.S. dollars, Canadian dollars, euros and two dozen other fiat currencies;
- Transfer cryptos, precious metals or fiat currencies held in your account to any of Uphold's other 1.7 million account holders for free. Plus, the assets you send arrive in minutes;
- Link your bank and Uphold accounts, so you

can directly transfer money back and forth.

The Uphold Mastercard is a multi-asset virtual debit card that allows you to buy stuff and pay for it using spend the crypto and other assets in your Uphold account. This could be a very handy thing to have.

Sadly, it's currently *only* available to U.S. citizens. And, even then, if you want one, you first have to get on a waiting list. Click [here](#) for details.

Like crypto exchange accounts, your Uphold account is always connected to the internet. And such accounts have been hacked in the past. We think Uphold has good security, so this risk is small.

But it is *not* zero. For this reason, it's prudent to use a self-custodial wallet (such as [Atomic](#) or [Exodus](#)) to store crypto held for the long term.

Now, here's a fourth easy way to buy Bitcoin outside a crypto exchange account ...

No. 4: Visit One of America's 5,840 Crypto ATMs

In recent years, Bitcoin ATMs (automated teller machines) have been popping up like mushrooms after a summer rain. Just about every medium-sized city in some 76 countries now has at least one. (Chicago, for example, has 293.)

Nor has it ever been easier to find one. A free app (BTC CoinATMRadar) downloadable to your smart phone ... not only identifies the ones nearest to you. It also displays their precise location on google maps.

BTC CoinATMRadar is also available as a website (<https://coinatmradar.com/>).

Coinflip (<https://www.coinflip.tech/bitcoin-atm/>) is another website that helps you locate the nearest Bitcoin ATM on their network.

Bitcoin ATMs work much like regular ATMs. Only instead of moving dollars out or into a bank account, they redeem Bitcoin in your digital wallet for dollars. Or, convert the dollars you insert ... into Bitcoin in your wallet.

Any crypto wallet will suffice. However, the smartphone versions of Atomic and Exodus are especially convenient in this regard. That's because they both can convert your wallet address (which looks like a long string of garbage characters) to a bar code on your smartphone screen.

Just hold it up in front the scanning window on the ATM, and you're done. That sure beats having to type in a long character string to communicate your wallet address.

Not surprisingly, Bitcoin ATMs charge for the convenience they provide. Fees vary according the type of machine and location.

But, generally, the fee for using a Bitcoin ATM to convert your crypto to cash runs between 4% and 5%. The opposite transaction (feeding paper dollars into the ATM to convert to Bitcoin in your digital wallet) ... typically comes with a fee between 7% and 8%.

One way or another, be sure to buy some Bitcoin.

The warning bells for the future of paper currency are not just going off in North America. Argentina is on the brink of its *NINTH* sovereign default. The ruling mullahs in Teheran are getting ready to knock three zeros off the Iran's rial (one U.S. dollar equals 42,105 rial) and re-issue it.

As hard-money historian Dr. Franz Pick observed: "In the end, all paper currencies go to zero."

Don't be caught holding the bag. And we are approaching a morning when you wake to find your greenbacks no longer worth the paper they're printed on. So, make sure you own some crypto — such as those labelled buy or hold in the *Weiss Crypto Investor* portfolio (below).

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The Little-Known Crypto

at the Sweet Spot of the Information Explosion

The vast majority of the 2,647 cryptocurrencies listed by CoinMarketCap.com trade on nothing more than hopes and dreams. Only a few have real-world use cases.

And, of those, almost none are as well-positioned to cash in on the most explosively expanding segment of the crypto revolution, the burgeoning growth of smart-contracts, as **Chainlink (LINK, Availability/Liquidity Grade “B”)**.

Smart contracts are at the heart of everything cryptos do (beyond just making payments).

So, it's hardly an exaggeration to say they pretty much *are* the future of crypto. Starting with **Ethereum**, virtually all second- and third-generation cryptocurrencies use smart contracts in some way or other.

In a nutshell, smart contracts are pieces of computer code on the blockchain that:

- Store funds until certain conditions are met, and then release them;
- Generate tokens for initial coin offerings (ICO) and issue security tokens. Examples include [Basic Attention Token \(BAT\)](#) and [MakerDAO \(MKR\)](#);
- Operate Decentralized Finance (DeFi) platforms such as [Compound](#), [Maker](#) and [Aave](#). DeFi is basically lending and borrowing on the blockchain with no banker standing in the middle of the transaction.

With \$1 billion collateral pledged, DeFi is re-inventing lending and borrowing as fast as the Fed can print money.

That makes it a great example of the explosive growth of smart contracts, which do just about everything a traditional banker would do, including

...

- Matching up potential lenders with borrowers, while ensuring that ...
- All principle payments and re-payment are

correctly made on time,

- Interest is properly charged or paid, and
- All appropriate fees are collected.

However, smart contracts are creatures of the blockchain with no inherent connection to the outside world.

So, they have no way of knowing what market interest or exchange rates are, what various assets used as collateral are worth, or even what day it is. All this critical data has to come from external sources.

And that's where **Chainlink (LINK, Availability/Liquidity Grade “B”)** comes in. It's the real-world data supplier to smart contracts. And all charges for these services are payable in LINK.

Chainlink is the fuel smart contracts run on. And with the number of smart contracts growing exponentially, demand for Chainlink is set to explode.

Unlike most new cryptos, Chainlink already has robust adoption.

Thousands of new cryptos have come to market in recent years, all claiming to be new and improved versions of **Bitcoin** or Ethereum. A good many of them never amounted to a hill of beans — even though they have first-rate technology — due to the lack of a critical mass of users.

In fact, adoption is one of the most important indicators [Weiss Cryptocurrency Ratings](#) uses to identify promising cryptos to invest in. And it's here that Chainlink really shines.

Cryptocurrencies like Ethereum, Tezos, Fantom, Solana, Polkadot, Icon, HPB and Zilliqa all run smart contracts that use or will use Chainlink to feed them real world data.

[Google](#) uses Chainlink to connect information contained its monster database (BigQuery) to the blockchain world. Network behemoth [Oracle](#) is building custom smart-contract enabled blockchains for its customers. And if any of them need real-world data, Chainlink will provide it.

Chainlink already supplies secure and reliable

price feeds to DeFi platforms like [Synthetix](#), Compound, Aave and 20 others.

This is all the *more* remarkable when you consider Chainlink is so new it has not had time to even properly market itself. When they finally get around to that, you're likely going to see even more explosive growth in adoption and demand.

Bottom line: Robust adoption is very bullish indeed for Chainlink going forward. Why? **Because LINK is the currency blockchains use to pay for data. And because data is valuable, so is LINK.**

Suppose, for example, a smart contract requires the current market price of ETH to complete a transaction. Suppose one data source for this information is the crypto exchange giant, Binance.com.

The smart contract would then pay Binance in LINK tokens for the desired information. Thus, LINK is the currency for buying data.

Of course, this is a somewhat oversimplified example. In the real world, there would almost never be just one data source. Instead, there would be multiple sources – say, Binance and Coinbase – for redundancy and to protect against error.

Moreover, to be able to do business with Chainlink, data sources must first stake a hefty deposit in LINK. And, if caught misbehaving (for example, reporting fake prices), this deposit is confiscated.

This provides a measure of security and incentivizes data sources to follow the rules.

Smart contracts are the vanguard in the cryptocurrency revolution, and LINK is leading the charge.

Taking it all into account, we reckon LINK could trade as high as \$20. And that's almost *five times* what it trades for today.

Here's what to do ...

Buy Chainlink ([LINK](#), Weiss Liquidity/Availability Grade “B”) at the market.

To help make room in your portfolio, take the following actions ...

- **Sell EOS (EOS, Tech/Adoption Grade “C”) at the market.**
- **Sell Holo (HOT, Tech/Adoption Grade “C-”) at the market.**
- **Sell Fantom (FTM, Tech/Adoption Grade “C”) at the market.**

Not only are they losing money. They are also no longer among the top Weiss-rated cryptocurrencies. So, it's time to clean house.

Crypto Portfolio Update

Bitcoin (BTC, Weiss Tech/Adoption Grade “A”) has lately been consolidating. However, there are two pieces of notably encouraging news ...

- Miner transfers to exchanges fell to the [lowest in three months](#). When transfers are low, this is often a sign that miners expect higher prices ahead. So, they hold back on supply.
- Bitcoin exchange reserves [drop to one-year low](#). Owners typically remove BTC from exchanges (where they were purchased) to private wallets for long-term storage. This is a sign more and more BTC is being salted away and is therefore no longer readily available for trading. This is another bullish straw in the wind.

Daily **Ethereum (ETH, Weiss Tech/Adoption Grade “A”)** [usage fees surpassed that of Bitcoin](#) on June 6. Fees are earned by miners as new transactions get written to the blockchain.

As such, they are a good gauge of adoption/utility. And Ethereum fees have been steadily increasing since April.

Cardano (ADA, Weiss Tech/Adoption Grade “B+”) tried to break through overhead resistance at 9 cents but failed to do so. It ended trading between 7.5 cents and 9 cents this past week.

With proof-of-stake cryptos like **Tezos (XTZ, Weiss Tech/Adoption Grade “B-”)**, coin-holders are allowed to participate in validating new transactions – and claim the rewards for doing so.

The crypto term for this participation is “staking.” At present, Tezos stakers earn a healthy 5% to 6% annual return. And, in today’s near-zero interest rate world, that ain’t chicken feed!

So, not surprisingly, a whopping 80% of the XTZ circulating supply of coins is staked – which means they’re not available for trading. This has consequences for prices.

For example, sharply reduced supply tends to prevent quick selloffs. It also makes the market prone to price spikes – which we love to see.

Stock Portfolio Update

The stock market has enjoyed a furious rally – so furious that it’s time to take some of our chips off the table. Make these five moves right away ...

- Order No. 1: **SELL all shares of Alibaba Group Holdings (NYSE: BABA, Rated “B-”) at the market.**
- Order No. 2: **SELL all shares of Copart Inc. (Nasdaq: CPRT, Rated “C+”) at the market.**
- Order No. 3: **SELL all shares of The Walt Disney Company (NYSE: DIS, Rated “C-”) at the market.**
- Order No. 4: **SELL all shares of Mercury Systems Inc. (Nasdaq: MRCY, Rated “C-”) at the market.**
- Order No. 5: **SELL all shares of Prologis Inc. (NYSE: PLD, Rated “B”) at the market.**

Amazon.com Inc. (Nasdaq: AMZN, Rated “C+”) is cruising through the coronavirus pandemic like a hot knife through butter.

Not only are Americans doing more online shopping than ever before. The “work-at-home” revolution is sending the demand for cloud-based storage solutions to the moon. In the last quarter, Amazon Web Services revenues exceeded \$10 billion and threw off over \$3 billion in operating income. **Continue to hold AMZN.**

Booz Allen Hamilton Holding Corp.

(NYSE: BAH, Rated “B+”) delivered another quarter of solid top- and bottom-line growth.

Revenues of \$1.97 billion were \$20 million above expectations and 10.6% better than the year-ago period. And profits of 98 cents per share were a stunning 28 cents more than Wall Street was expecting.

The best news was a flood of new business that increased Booz Allen’s order backlog to \$20.7 billion, a 7.3% year-over-year increase. **Continue to hold BAH.**

DocuSign, Inc. (Nasdaq: DOCU, Rated “D”) has made a habit of making new all-time highs in 2020. The latest catalyst was the news that it would become a component of the Nasdaq 100 Index. That puts DocuSign in the same elite company as Google/Alphabet, Amazon, Apple, Cisco, Facebook, Intel and Microsoft.

More importantly, every Nasdaq 100 Index buyer will automatically be buying shares of DocuSign. **Continue to hold DOCU.**

There is more to **Facebook Inc. (Nasdaq: FB, Rated “C+”)** than just Facebook. That’s because Facebook owns four out of the seven most popular social networks in the world.

That giant audience gives Facebook the opportunity to become a global payment system giant, which is exactly its plan with its Libra cryptocurrency. **Continue to hold FB.**

Only 15 companies in the S&P 500 Index are debt-free; **Jack Henry & Associates Inc. (Nasdaq: JKHY, Rated “B”)** is one of them.

That absence of debt is why it’s been able to aggressively repurchase shares; JKHY had a share repurchase authorization for 3.13 million shares, or 4% of outstanding shares. **Continue to hold JKHY.**

What a quarter for **Microsoft Corp. (Nasdaq: MSFT, Rated “A-”)**!

Revenues of \$35 billion represented 15% year-over-year growth. Operating income was up 25% to \$13 billion. Net income surged 22% to \$10.8 billion, and earnings per share rose 23% to \$1.40. \$1.40.

And those results don't even include the positive impact the "work-from-home" revolution has had on the Microsoft Teams collaborative service. The rest of 2020 is going to be even better. **Continue to hold MSFT.**

NVIDIA Corp. (Nasdaq: NVDA, Rated "C+") is profiting from the same cloud-storage trends that are powering Amazon and Microsoft.

First-quarter data center revenues were up 80% year over year to \$1.14 billion. That's the first

time they've exceeded \$1 billion. That's not the last major benchmark they'll cross. **Continue to hold NVDA.**

Credit-card spending was down 21% in May, but debit-card spending increased by 12%.

"Credit" or "debit," it doesn't matter to **Visa Inc. (NYSE: V, Rated "B-")**. That's because it's the largest issuer in the world of both types of cards, with a total of 336 million outstanding. Mastercard Inc. (NYSE: MA, Rated "B-") is a distant second at 213 million. **Continue to hold V.**

Weiss Ratings Crypto Investor Portfolio

Recommendations	Reco Date	\$ Cost	Current Quote (\$) as of 06/23/20	Total % Gain
Crypto Positions				
Cardano (ADA/USD) **	9/12/18	\$0.05368758	\$0.08342700	55.4%
EOS (EOS/USD)	9/12/18	\$5.39210000	Sell @ market	
Holo (XHOT/USD)	11/19/18	\$0.00060100	Sell @ market	
Bitcoin (BTC/USD)*	4/26/19	\$8,629.30	\$9,642.78	11.7%
Fantom (FTM/USD)	8/7/19	\$0.02205500	Sell @ market	
Ethereum (ETH/USD)	8/7/19	\$206.04	\$243.98	18.4%
Tezos (XTZ/USD)	11/27/19	\$1.25753900	\$2.77	120.3%
Chainlink (LINK/USD)	6/26/20	-	Buy 2.5% @ market	
Stock Positions				
Nvidia (NVDA)	10/19/18	\$229.17	\$378.00	65.0%
DocuSign (DOCU)	12/28/18	\$40.50	\$166.80	311.9%
Overstock.com (OSTK)	4/26/19	\$13.07	\$25.91	98.2%
Facebook (FB)	7/12/19	\$204.87	\$242.24	18.2%
Amazon.com (AMZN)	8/30/19	\$1,776.29	\$2,764.41	55.6%
Microsoft Corp. (MSFT)	10/2/19	\$134.65	\$201.91	50.0%
Mercury Systems (MRCY)	11/1/19	\$74.60	Sell @ market	
Alibaba (BABA)	11/27/19	\$200.82	Sell @ market	
Walt Disney Co. (DIS)	1/3/20	\$146.48	Sell @ market	
Prologis (PLD)	1/31/2020	\$92.88	Sell @ market	
Visa (V)	2/28/2020	\$181.76	\$197.97	8.9%
Copart (CPRT)	2/28/2020	\$84.48	Sell @ market	
Booz Allen Hamilton Holding Company (BAH)	4/24/2020	\$75.86	\$80.01	5.5%
Jack Henry & Associates (JKHY)	5/22/2020	\$186.55	\$182.12	-2.4%

* Bitcoin's \$ Cost and Total % Gain columns reflect average of initial purchase 4/26/19 (\$5,217.25) and subsequent buys 8/7/19 (\$11,901.45), 8/30/19 (\$9,584.37), 10/2/19 (\$8,266.70), 11/1/19 (\$9,255.15), 4/24/20, (7,550.90)

** Ethereum \$ Cost and Total % Gain columns reflect average of initial purchase 8/7/19 (\$224.51) and subsequent buy 4/24/20 (\$187.57).

** Cardano \$ Cost and Total % Gain columns reflect average of initial purchase 9/12/18 (\$0.06840000) and subsequent buy 11/27/19 (\$0.03897516).

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