



A Bitcoin Capitalist Advisory Note



Shorting The Clown World. 🤡

The Bitcoin Crash Course

The Bitcoin Capitalist Crash Course

Prepared By: Mark E. Jeftovic <markjr@theBitcoinCapitalist.com>

For more information: <https://theBitcoinCapitalist.com>

In this note we're going to walk you through how to get into Bitcoin: how to buy it, safely self-custody it and get some additional exposure via your traditional brokerage accounts.

What we won't do is give you the "why Bitcoin" spiel - we're assuming you've already done your work on the Bitcoin Thesis and have made your decision to allocate to it.

If you haven't, I would recommend the following books:

- [The Bitcoin Standard](#), Saifedean Amous - has probably orange-pilled more people than any other book out there.
- [The Seventh Property](#), by Eric Yakes, is geared toward financial professionals and asset managers but easily readable for the layman.
- [Layered Money](#), by Nick Bhatia - shows how a global financial system built atop Bitcoin could actually be structured and implemented.

And there is also:

- [The Crypto Capitalist Manifesto](#) - by yours truly, which you could also download [for free here](#).

The only thing we'll cover that comes close to the overall thesis of Bitcoin is to answer the question that is probably on your mind, given you're reading a crash course on getting invested at this point in time.

IS IT TOO LATE TO INVEST IN BITCOIN?

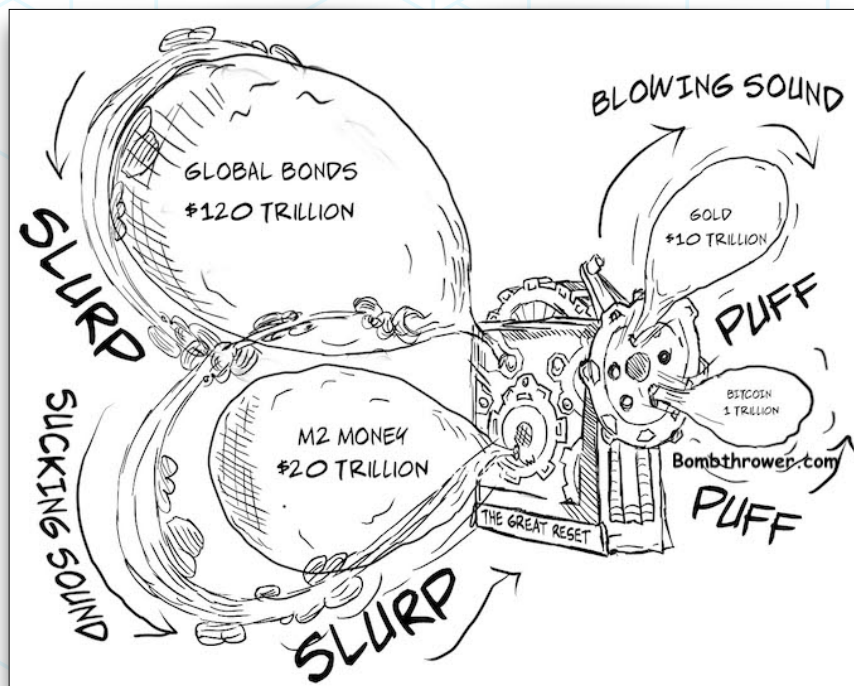
Believe it or not, we're still pretty early in the transition to decentralized, non-state money.

We aren't looking at a hot stock or other asset that can't keep going up forever, we're looking at what I always called "a monetary regime change".

As already mentioned, this isn't the place to make that case. But to answer the question of whether it's too late in the game to capture the outsized returns, I will stress that should the "hyper-Bitcoinization¹" thesis fully play out, having *any* Bitcoin at all, will put you in a completely socio-economic class than those who have none.

The way I gauge where we are in the story is I look at the total market cap of the bond market - which represents the legacy, fiat money system - and which is dying, compared to the market cap of Bitcoin.

As I type this in late 2024, it's about 100-to-1, with bonds (*debt*) coming in around \$150 trillion to \$200 trillion of what has come to be known as "return free risk", and Bitcoin at about \$1.5 trillion.



From The Crypto Capitalist Manifesto: 2022

¹ The word "hyper-Bitcoinization" means different things to different people: for me it is the process of Bitcoin becoming at least a *component* of the next global monetary system. Some think it will become the base layer.

The coming monetary regime change, or “Great Reset”, whatever you want to call it - is the process of wealth, *purchasing power*, to be exact, moving from the “wrong side” of the equation (fiat money, based on debt), to the “right” side of it: sound money like gold, and now, *Bitcoin*.²

With Bitcoin at \$1.5 trillion now, and the entire crypto-currency space at around \$3 trillion, we’re still very early in this process.

My estimates are that eventually Bitcoin will be at least a \$15 trillion to \$20 trillion asset class by 2038.

WHAT SHOULD I INVEST IN?

Bitcoin only.

Yes, there are other cryptos and some of them may appreciate even more than Bitcoin (and they also crash harder than Bitcoin on the pullbacks).

But unless you’re immersed in this space - it’s futile to even try to keep up with the other cryptos (“alt-coins”, “memecoins” or “sh*tcoins”), and just stick to the Blue Chip: Bitcoin.

If you get more involved in the space and learn more about it, then you can look at alternatives to *supplement* your Bitcoin holdings, but even then it will be Bitcoin *and* something else.

You never sell your Bitcoin for an alt-coin. If anything, you will go the other direction: using high-risk, high-return alt-coin strategies where you can take profits (if you have any) and roll them into acquiring more BTC.

Bitcoin is the foundational layer of your digital asset portfolio and strategy.

Get this part right, and you won’t have to be right about anything else.

² This is also not the place to argue “gold vs. Bitcoin”, I assume the reader holds the former, as do I, having always been a “gold *and* Bitcoin” advocate. However I do believe that Bitcoin’s superiority in capital mobility department give it an advantage over the coming years.

GETTING STARTED:

We start with a base layer of directly owned Bitcoin in your own self-custody.

You do not need to buy an entire Bitcoin - you can buy increments as small as a few dollars and then just keep adding to that (“building your stack”).

WHERE To Buy Bitcoin

If you are just going to buy small amounts, under \$20 incrementally, then go to your nearest Bitcoin ATM which you will see now in cornerstores in practically every city or town.

There will be a higher premium - as high as 15%, sometimes more at ATMs, it's normal and as Bitcoin tends to level up in value by orders of magnitude, that premium becomes a rounding error over time.

“Non-KYC” Bitcoin

Bitcoin ATMs are also a way to accumulate “KYC Free” or “non-KYC” Bitcoin. For transactions below a certain threshold (like \$1,000) you can make purchases of BTC without the requirement to show any photo ID (at Bitcoin ATMs, you do this by scanning your driver's license at the kiosk).

Some people put a premium on being able to accumulate Bitcoin that has never undergone “KYC” (Know Your Client”) procedures. Other methods for doing this include: mining Bitcoin directly (not easy), or *earning* it.

If you open any kind of exchange account that bridges between the legacy fiat system and Bitcoin or cryptos, you *will* undergo a KYC process.

I don't worry too much about it - as in the event that the government suddenly takes an interest in exactly *who* owns Bitcoin, there isn't a lot they can *do* about it. If you pay close attention: all the government restrictions, regulations and controls happen at the onramps and off-ramps to the crypto-economy - that's the only place they *can* be.

However, as I've been detailing for years - increasingly more wealth is on a one-way journey into the cryptocurrency ecosystem. It has no intention of ever coming back out (this is also in keeping with [our "Jackpot" thesis](#) where nation state governments, while still existing and exerting influence for generations, are on the wane - being forced to compete with new forms of sovereignty in the coming years: [network states, micro-sovereignties and crypto claves](#)).

In any case, it is easy to create additional Bitcoin wallet addresses (see below), and you should create a separate one just to hold any KYC-free BTC you accumulate).

Exchange Accounts & Setting Up Your DCA (Dollar Cost Averaging)

For higher amounts, or to create automated buys, you need to set up an exchange account, and ideally, one that will also automatically send your Bitcoin to your own self-custody wallet.

For US citizens, I recommend [Swan Bitcoin](#).

For Canadians, use [BullBitcoin](#).

All others, [Kraken](#).

You *will* undergo a KYC procedure to do this. If it's any consolation that you will have to provide photo ID in order to set up an exchange account, you have to do the same to open a traditional bank account, obtain a credit card, or undertake nearly any activity in this era - but the good news is we've seen a shift in the regulatory climate across the world to accommodate crypto assets. This is part of the plumbing now - and it still leaves you with unprecedented control over your own self-custodied wealth.

Start with an initial purchase. This is your *get off zero* purchase and it should be meaningful within your own budget:

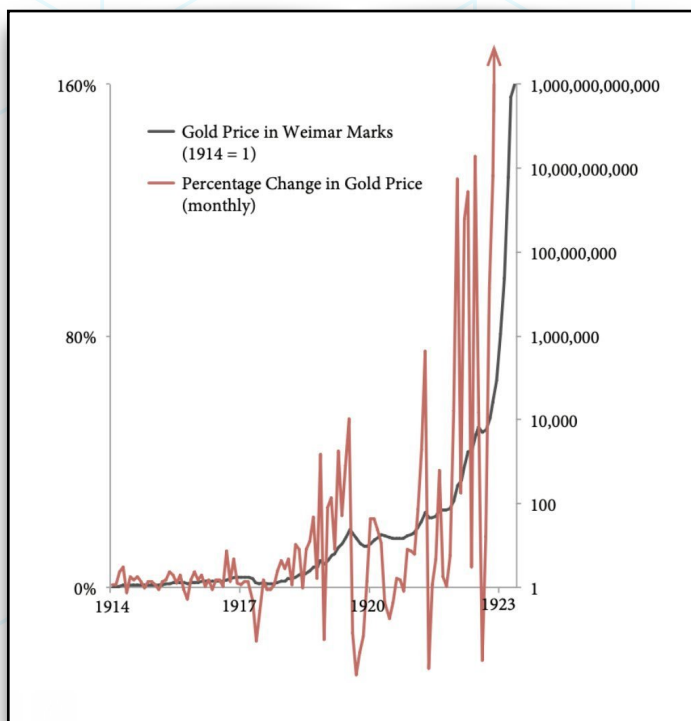
For example: if you have \$10,000 in the bank, put \$500 or \$1,000 of it into Bitcoin.

If you're HNY (High Net Worth) individual or a family office, my recommendation continues to be: buy one Bitcoin for each family member.

Make your initial “get off zero” at the current spot price. *Do not “wait for a pullback”* or try to time it so that you buy it at the bottom of the *next* cycle - while true that Bitcoin can pull back up to 80% (or *more*) during so-called “crypto-winters”, we have no idea from *how high* that occurs.

Consider our current cycle, where we’re sitting at around \$100K BTC as I type this. One may be tempted to wait for the next bear market (probably in 2026 is my current forecast), but that 80% drop could conceivably be *from a \$1 million / BTC* peak, meaning your bear market bottom over the next crypto winter ends up being *double* the price you could acquire Bitcoin for *right now*).

If this seems unlikely in your mind, we have a historical precedent of a mass capital flight from fiat to hard currency and gyrations between valuation extremes, in the chart of *gold volatility* during the Weimar Hyperinflation:



See [“How To Jailbreak Your Brain Out of ‘Bitcoin is a Bubble’ Mode”](#)

There may have been “clever” traders attempting to time those peaks and troughs, however at the time the smart move was simply to exit the Reichsmark as early and as often as possible.

Corporate treasuries:

We're seeing more of this - companies taking a portion of their balance sheet cash and allocating it to Bitcoin. I've been doing this since 2013 by way of taking Bitcoin as a payment method [at my main business](#) and then HODLing it. My entire company's retained earnings are held in Bitcoin.

If you want to get setup taking Bitcoin as a payment method at your business, [get on our easyCoin](#) invite list and we'll be in touch about next steps.

Setting up the DCA:

Once you have your initial stack, congratulations - you're off zero and are henceforth on the right side of the Monetary Regime Change that is headed our way.

From that point onwards, you simply add at the current price at a level you can comfortably handle. *Any amount will help* whether it's \$10 / week or \$100K a month.

Pick an amount you won't miss and that won't keep you awake at night worrying about the price.

There *will* be periods of being underwater on some of your buys, perhaps even your entire stack for a period - however, know this:

Nobody has ever lost money on Bitcoin in nominal terms who has held through for four years or longer.

If you can hold for four years, you'll be fine. More than fine.

There are reasons for this, they all distill down to Bitcoin's four year halving cycle. It's outside our scope here but if you read some of the earlier referenced materials you'll learn more about it.

SELF-CUSTODY

Part of the culture for being a true Bitcoiner is to self-custody your BTC in cold-storage, off of the exchange you bought it from.

If you used a Bitcoin ATM, you'll already have it in self-custody because it will be sent to a wallet on your smartphone - but it would also be advisable to move it from there to a completely air-gapped cold wallet.

If you're a HNW, institutional or corporate holder, dealing with millions or perhaps even billions of dollars worth of Bitcoin you may want to look at institutional custodial partners who create multi-signature wallets that you still control, but who can provide continuity and access to funds over succession phases, estates / inheritance and other transition events.

Trustworthy institutional custody partners include:

- [Unchained Capital](#) which is specifically geared toward institutional cold storage, inheritance and even Bitcoin secured loans.
- [Bitcoin Mentor](#) has a unique mentorship model involving education, training and implementation. You can book an initial session with them [here](#)

It is also possible - even advisable - to set up multi-sig wallets for your own family or corporate wallets.

Recommended cold wallets

- [Coinkite](#) - maker of the Coldcard series of wallets. Top echelon of the industry and what I like about them is the "duress code" feature, where you can set up a decoy wallet with a small amount of BTC in it.

There are some who say that the Coldcards are hard to use or setup, but they really are not.

To prove it, [here's a video of a 10-year old girl setting up her Coldcard](#) from scratch:



- [Trezor](#) hardware wallets have been around for a long time and are among the original, tried and true cold wallet manufacturers. Sleek, and relatively easy to use. Multi-coin support.
- [Ledger](#) - this one may be a controversial inclusion, because Ledger has made a couple of missteps over the years. The largest controversy of them all is their **Ledger Recover** service, which is *opt-in* and would hold a copy of your *private keys* in escrow in case you lose your own.

By their own admission - it is theoretically possible that your private keys could be subpoenaed by law enforcement - with which they would have to comply.

But for some situations and some people, you may want this third-party backup of your private keys. It is analogous to using a third-party institutional custodian.

Ultimately it's a decision you can only make yourself subject to your own risk profile.

The user interface is pretty good and they can also hold most other cryptocurrencies aside from Bitcoin.

Lo-Fi Cold Wallets:

One quick-and-dirty method to get a cold wallet: Take an old smartphone, remove the SIM card, factory reset it, then install a wallet app like Coinbase's Wallet (not the exchange app), Trust Wallet, or Phantom.

Generate your new wallet, securely store the seed phrase and generate your receive address.

From that point on you can even power down the smartphone, it doesn't matter unless you want to move BTC *out* of the wallet.

Until then: just put it in a secure place and use send your Bitcoin to the receive address.

FURTHER READING:

If you are interested in knowing more about the technical aspects of Bitcoin (including sending and receiving payments, self-custody, multi-signature wallets and understanding how txo's work, but in an understandable, plain English format, I recommend Keysa Luna's **"The Simplest Bitcoin Book Ever Written"**, which can be [downloaded here](#) for free.

BITCOIN PROXIES AND LEVERAGE

Is it enough to simply garner one's exposure to Bitcoin through ETFs or the publicly traded companies?

If you're simply looking at this as a *trade* then you could do it through public expressions of the Bitcoin thesis: ETFs, Bitcoin miners and leveraged proxies such as Microstrategy (MSTR).

However, if you believe, as I do, that Bitcoin is not a *trade* per se as much as it is a real "Monetary Regime Change", then the public shares related to this space are more of a compliment to your overall strategy rather than the entire trade.

Similar to how gold mining stocks tend to outperform spot gold itself during a bull market, Bitcoin stocks can and do outpace BTC itself *during bull segments*.

We know three things about publicly traded expressions of the Bitcoin thesis:

1. **Spot ETFs** trade at roughly at par to Bitcoin, but there are management fees which vary.

ETF Name	Ticker	Management Fee
BlackRock iShares Bitcoin Trust	IBIT	0.25%
Fidelity Wise Origin Bitcoin Fund	FBTC	0.25%
Bitwise Bitcoin ETP Trust	BITB	0.20%
ARK 21Shares Bitcoin ETF	ARKB	0.21%
Invesco Galaxy Bitcoin ETF	BTCO	0.39%
VanEck Bitcoin Trust	HODL	0.25%
Franklin Bitcoin ETF	EZBC	0.29%
WisdomTree Bitcoin Fund	BTCW	0.30%
Valkyrie Bitcoin Fund	BRRR	0.25%
Grayscale Bitcoin Trust	GBTC	1.50%

2. Futures ETFs can actually *lag* the spot ETF price by as much as 5% per month.

This is because of decay and rollover costs inherent in maintaining futures contracts. I frankly can't think of reasons why anybody would use these vehicles for allocating to Bitcoin (Coindesk ran my "[4 Reasons Not to Invest in Bitcoin Futures ETFs](#)" note to subscribers when they first came out).

3. Bitcoin stocks trade at a premium to the spot Bitcoin price - much to the chagrin of Efficient Market Theorists, and the likes of Peter Schiff (whom I like for his gold commentary but who is, alas, wrong about Bitcoin) - stocks like Microstrategy and some of the bitcoin miners trade at a *premium* to the overall Bitcoin price.

This holds during *bull segments* - what Bitcoiners call "up-only mode" which happens a couple times each cycle and can last for a year or more (on a side-note, I believe most of 2025 will be one such period).

The table below shows how it played out over 2023, the stealth-bull phase, when Bitcoin went up all year, but nobody believed we were in a new bull market (which I called in December 2022).

Example: 2023 (under-the-radar "up-only")			
	Jan-23	Dec-23	+/- %
BTC	16615	42208	154%
HUT	4.26	13.34	213%
BITF	0.43	2.91	577%
MARA	3.58	23.49	556%
RIOT	3.49	15.47	343%
CLSK	2.1	11.03	425%
MSTR	14.47	63.16	336%

Of course, here on the cusp of 2025, the pack of stocks outperforming Bitcoin has changed somewhat, but the same effect is still holding true.

What has changed in 2024 is the rise of the Bitcoin Treasury Strategy that has seen public companies *outside* the Bitcoin space adopt BTC accumulation programs, shifting their balance sheet cash from fiat currencies to Bitcoin - and generally enjoying share price appreciation and multiple expansion as a result.

Some examples include: Semler Scientific (SMLR), Genius Network (GNS) and Japan's Metaplanet.

IMPORTANT: The flipside of how bitcoin stocks move higher, faster during bull segments, is that they also drop harder, further during pullbacks. This can be hard to tolerate - but from experience I can tell you this: if you can stomach being under water on your bitcoin stocks - sometimes for months - then you don't need to worry about it once the market turns back up, you will be astonished at how fast these things reverse higher.

If you really have the temperament, you can step into those pullbacks and buy more when they're down.

A lot of my readers did this with Coinbase when they IPO-ed right at the cusp of a new bear cycle and the ones that kept buying throughout "crypto winter" of 2022 have really cleaned up since.

CONCLUDING THOUGHTS

If you've made the decision to allocate to Bitcoin but didn't know where to start, hopefully you do now that you've read through this crash course.

The most important factor for successfully holding Bitcoin for the long term is *conviction* - which I discuss in my Crypto Capitalist Manifesto (again, you can [get free here](#)).

Your first priority is to *get off zero* and then steadily and gradually add to your stack at an amount you can live with.

While sophisticated strategies exist for leveraging up via debt to accumulate Bitcoin, *do not do this*:

- *Do not* max out your credit cards to buy Bitcoin.
- *Do not* borrow against your house to buy Bitcoin.
- *Do not* go into debt to buy Bitcoin.

The way to acquire leverage (or additional *torque*) to the Bitcoin price is via the stocks. Think of them as never-ending call options on hyper-Bitcoinization.

If you want to subscribe to *The Bitcoin Capitalist Letter* which covers a portfolio of crypto stocks, you can sign-up for a [trial subscription here](#).

I also run digest version of the letter on Substack, and I've set up a discount for the Crash Course [readers here](#).