Twitter Thread by Peter McCormack ■



Peter McCormack ■
@PeterMcCormack



1/ Feels like a good time to tell the story of how I went from broke to a millionaire to broke again in 2017/18 again...

Yesterday was brutal for some people...

Losing life-changing money sucks, losing any money sucks...you can chase the market or you can change your strategy.

2/ The original thread is gone but you can read it here.

https://t.co/cLLNs75rB0

tl;dr
- Traded $32k to $1.2m
- Thought I was a genius
- Made poor investments
- Didn't conserve capital
- Peaked at 150 BTC
- Lost nearly all of it

2 weeks from losing my house + no income. Oops.

3/ I am going to assume you are in it for the money rather than the tech. Yeah, you might Tweet about the amazing blockchaining of cross-border payments and oracles yadda yadda...really, you are in it to make money.

If you are really in it for the tech, go and build something.

4/ Okay, so if you want to make money, trading is super hard, you are trading against:
- Better traders than you
- People who can move markets
- Unknown information

And if you are trading with leverage you might blow up your account with the volatility.

5/ If you are not trading, you are investing. Okay, so what are you investing in?

I made the decision that the crypto with the best opportunity of existing in 10 years is #Bitcoin:
- Solves a genuine problem
- The right tech
- A proven track record

6/ An easy signal for being right about #bitcoin is the institutional interest. How much interest is there in:
- Ethereum (minimal)
- XRP (Arrington Capital, oops)
- Link (lol)
- Dentacoin (err)

But Bitcoin - MicroStrategy, Square, Ruffers, MassMutual...

7/ Also - Grayscale, Coinshares, Skybridge, that millionaire Mexican dude.

There is a wall of money coming, and it isn't going into XRP... another easy signal, these people don't want to sell their #bitcoin, why? @bgarlinghouse can't wait to unload his shitcoin on you, why?

8/ Even the shitcoiners hold Bitcoin:
- Tezos foundation
- Block One (remember EOS?)
- I suspect Roger Ver still holds a load
- Even rogue states

Why?

https://t.co/wiKjHtRmY6

9/ But why #bitcoin:
- Only crypto which is meaningfully decentralised
- Regulatory moat established
- Genuine censorship resistance
- Fixed cap
- Predictable issuance

It is the best and hardest fucking money that has ever existed. You can argue against this but you are wrong.

10/ Every cycle:
- Detractors turn to bulls
- Maxi narratives are proved right
- Price sets new all-time highs
- Security increases
- Governments print more useless fiat

11/ I was an idiot through the last cycle:
- Argued against narratives
- Tried to fix Bitcoin (I was new and knew better)
- wAs oPeN MiNdEd
- Watched by BTC stack dwindle away

12/ But a full cycle teaches you a lot of things. Here are the most important lessons...

13/ LESSON 1 "The amount of sats you own is more important than the dollar value of your stack".

21 million divided by your sat stack = your score.

$ value is volatile but your score is the amount of the new financial paradigm you own.

Stack your sats (h/t @matt_odell)

14/ LESSON 2 "Patience"

Stop playing short-term games, zoom that shit out, if you can't handle the drops you are over-leveraged.

Bitcoin is economics 101 - supply and demand. We're talking about hard money, people who get #Bitcoin stay, they rarely sell...

15/ LESSON 3 "Find your edge"

Yeah, you're going to out trade the market, sure you are. Some will, most won't.

My edge is podcasting, so I make shows, sell adds, make a profit and buy #bitcoin. What is your edge?

16/ It really is that fucking simple:
1. Earn money
2. Buy #Bitcoin
3. Be patient

I know what some of you are thinking, but what if #bitcoin fails? Have you not seen the shit it has survived? Silk Road, Mt. Gox, civil wars.

It is still here and stronger than ever.

17/ Still have doubts? Go and spend some time reading stuff at the Nakamoto Institute. I have had my differences with @pierre_rochard but he has been right about so much, usually years ahead of how this plays out.

https://t.co/SPkFpl2Xz9

18/ You don't need to worry too much about the politics, whether you are a libertarian, conservative, progressive or jedi - everyone benefits from hard money.

Look, 2018 sucked, going from paper millionaire to broke was a motherfucker, but tears won't bring back the money.

19/ I have operated with one basic goal since then...
...at the end of every month, I will have more sats than the end of the last month.

Then with a little patience, I trust #bitcoin to do its thing.

20/ But Pete, #bitcoin is too expensive, XRP is only $0.30. If #bitcoin is expensive then why aren't bitcoiners selling? @jack isn't selling, @michael_saylor isn't selling....

...we're not fucking selling because it is heading to $100k.

21/ ...we're not selling at $100k because it is heading to $500k.

...we're not selling at $500k because it is heading to $1m.

(Okay, I will definitely sell a little at $1m for a Lambo, bite me - but 0.2btc for a Lambo, sounds good right?)

22/ #bitcoin teaches financial discipline, it is really simple. It rewards prudence while fiat rewards recklessness.

Inflation punishes the prudent. This isn't right, is it?

23/ So do your thing. If you still want to invest in shitcoins, trade etc... good luck to you.

If you want to build a solid financial future then you need to build solid foundations. You got this!

24/ Learn from the best, I'll miss a few but my goats - @pierre_rochard, @bitstein, @PrestonPysh, @JeffBooth, @Breedlove22, @real_vijay, @matt_odell, @MartyBent, @stephanlivera, @parkeralewis, @jimmysong, @giacomozucco, @LynAldenContact (even @saifedean).

25/ DMs are always open...

...Stack sats, eat your veg, get some sunlight, stay healthy, enjoy all forms of art, be patient, laugh at Tottenham and have a merry fucking Christmas.