



Basis Points – April 15, 2021

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Above the Fold

Will Coinbase's IPO Fuel a Continued Boom in Cryptos?

It's no secret that virtual digital currencies, or cryptocurrencies, have been rising both in popularity and value for some time now. Beyond the hype we've witnessed by retail investors through social media and Reddit-type online forums, large banks and investment firms have even started allowing portfolio managers to indirectly incorporate cryptos into their holdings.

But for the average person, buying, selling and then exchanging a digital currency for a more palatable and stable currency, like the U.S. dollar, can still be challenging and costly with fees and poor exchange rates. Coinbase, America's largest crypto exchange, has been working to "bring

crypto to the masses,” and make the process more efficient, according to their CEO, Brian Armstrong.

Mr. Armstrong also became one of the world’s wealthiest men, as Coinbase brought its shares to the NASDAQ yesterday; the first major cryptocurrency-centric firm to do so. Unlike traditional IPOs (initial public offerings), Coinbase did not raise any new capital. But now that its shares are tradable, major internal stockholders, like Armstrong, can cash in and hopefully use those funds to improve efficiency, accessibility and transparency in the space. It’s important to note that Coinbase (COIN) is not a currency itself and does not intend on creating one. And while the IPO is attracting much attention, experts do expect protracted [volatility](#) in COIN stock following its debut.

Three Things

1. *What Uber and Your Local Bus May Have in Common* – Uber has been making a major push into public transit systems. Structured as a software-as-a-service (SaaS) business, Uber leases out a modified version of its ride-hailing software to transit agencies to better facilitate on-demand community rides. The company just signed on three more major public transit partnerships and is expected to increase this push.
2. *Phobio Phobia* – Atlanta-based Phobio is the company behind Apple’s massive trade-in program, but they’ve been getting some seriously bad publicity. According to several reports, consumers were promised one amount for their Apple product, but were offered much less once that product was received by Phobio. In some cases, Phobio’s reports noted damage to the unit, but when asked to return it, no damage was found. If you do trade in an Apple product, be sure your final credit matches what you were initially promised.
3. *Offshore Money Flowing Into American Suburbs* – With the costs of homes skyrocketing, large foreign firms are partnering with builders and realtors in record numbers to buy or construct large swaths of homes in suburban neighborhoods. In a trend that only recently began, these overseas entities, often insurers, pension funds or even government-owned entities are acquiring billions in U.S. residential assets with the intention of renting back to Americans. The trend is further adding to the dearth of available inventory that’s fueling a record domestic price boom.

Did You Know?

Remembering the Titanic

Nearly 110 years ago today, the Titanic sank in the icy waters of the North Atlantic Ocean, about 400 miles south of Newfoundland, Canada. The Titanic was billed as the largest and fastest of the period, spanning 883 feet and weighing 46,328 gross tons. And though massive for its time, it wouldn’t even make the list for today’s top 64 cruise ships. The Symphony of the Seas, owned by Royal Caribbean, is the world’s largest cruise ship at nearly 1,185 feet long, weighing in at a staggering 228,081 gross tons. Neither ship is terribly fast as the top speed of both is just a little over 25 MPH.

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