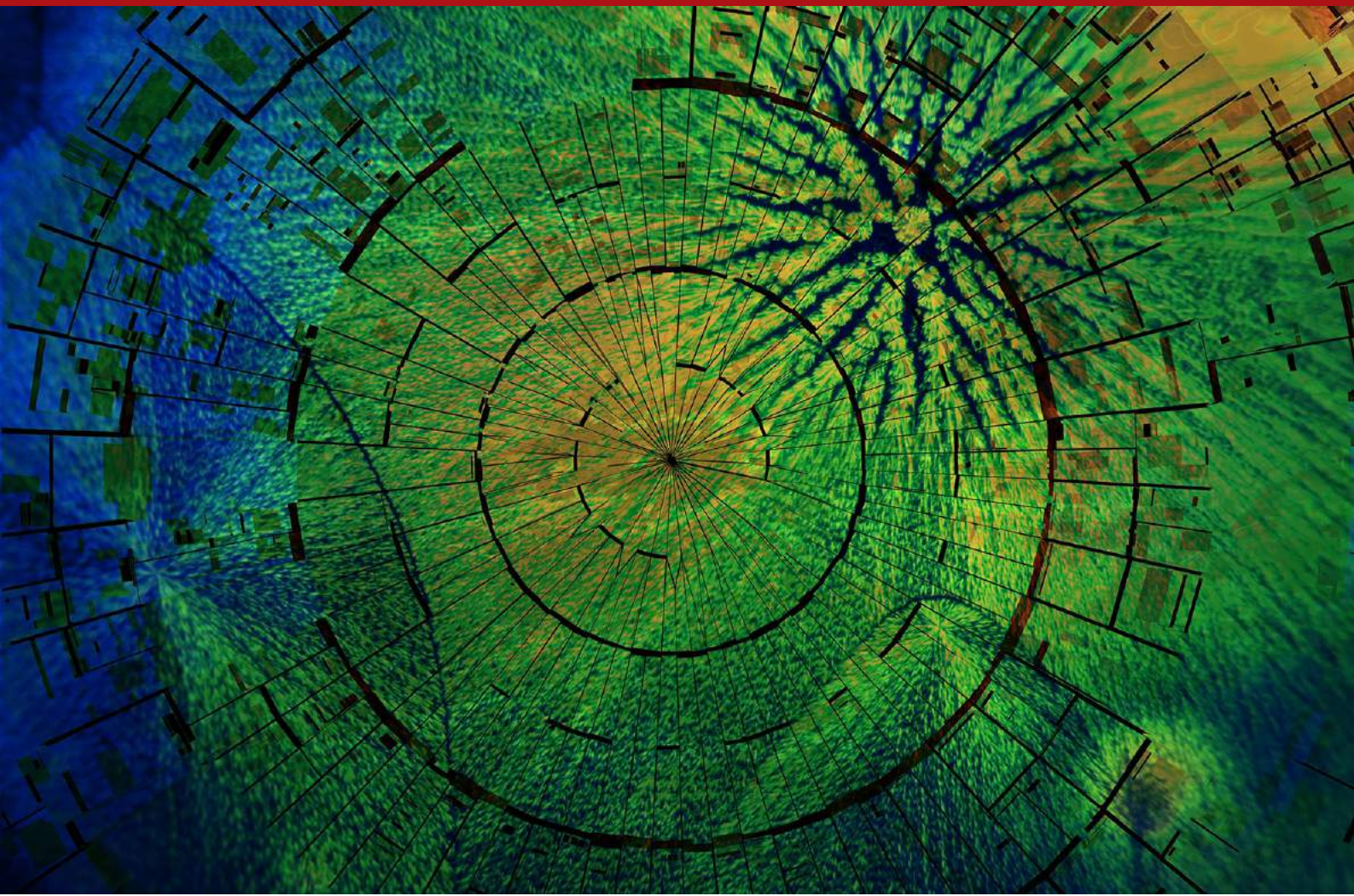




I N S I D E R

Asymmetric Investing Subscription Info Pack



Dear Reader,

As you probably now know, my name is Chris MacIntosh and I'm a professional macro investor. After spending my early years at investment banks in London and NYC, I set out to pursue [asymmetric returns](#) with my own capital. First trading currencies for my own account, then founding a real estate trading and investment firm which I liquidated in its entirety in late 2006 providing a 60x ROI over 4 years. Identifying the global capital shifts favouring early stage venture capital I began investing in early stage private equity deals and then co-founded and ran a venture capital business, investing \$35 million into 30 early stage private companies.

What I've learned over the last 20 years in finance, is that identifying massive shifts in global capital markets early on and positioning oneself to benefit from the consequences has been a successful strategy.

With all that said, I believe that **nothing compares to what lies ahead of us** both in terms of opportunity as well as risk. It is, in a word, "extraordinary".

I've been documenting these opportunities over the last few years on the [blog](#) and I feel more strongly about the trends now in motion than anything I've ever witnessed in my professional career. So much so that in October of 2016, the *Insider* subscription was launched, as was my institutional fund (trading the same ideas but for large clients).

This note isn't to discuss the fund as that is only open to accredited investors but rather to address some common questions we get about *Insider*. In this letter you'll find four things.

1. Frequently Asked Questions - what is Insider, who is it for, what does it cost etc.
2. A breakdown of the 35.25% return we have achieved for subscribers since launching
3. An example of one of our trade alerts that was sent to subscribers in October '16
4. Real feedback from current customers
5. A recap of what is included in the subscription and how to buy

Finally, I would like to clarify an important point:

The reason I set up *Insider* was not to make money selling subscriptions.

I've recognised over the years that building networks has been an enormous help to me and my career, and has made me a lot more money than simply investing.

I'm in the fortunate position not to be financially dependent on sales of *Insider*. What is important to me is finding like-minded investors who want to master the art of asymmetry, and who will be a good addition to the current bunch of rogue mavericks already signed up.

If that is you, skip the below and signup already!

Sincerely,
Chris

CAPITALIST EXPLOITS “INSIDER” FAQs

What is Insider?

It's a subscription service where you pay to get my exclusive trading ideas to act on, where the risk is low relative to the potential rewards which can be enormous. I send you “alerts” - PDFs that are walkthroughs of trades and the rationale behind why I am suggesting the idea, to the due diligence my team and I have done, to the actual instructions on placing the individual trades and what to expect, performance-wise.

What does it cost?

\$949 currently buys you an annual subscription. Over the course of the year this will work out to less than a full service will charge you per trade. The price is going up to \$1,200 when I get around to changing it on the website.

What do I get, exactly?

You get a minimum two trade alerts per month (usually a lot more, depending on what is taking place in various markets), you get a weekly summary email of important macro events that are driving our investing decisions, and you get a bunch of bonus reports and so forth. I provide as much bonus material as I can along the way.

Do I need a minimum amount of investment capital for it to be worth it?

We cast a very wide net with the investment opportunities we provide. Some of the opportunities involve levels of sophistication consistent with sophisticated professional investors and at the same time we endeavour to provide multiple ways to execute on opportunities thereby making available opportunities to retail investors who are unfamiliar with trading strategies and markets. These may be by way of ETFs or simple stock purchasers which any person with a brokerage account can participate in. Clearly the greater your net worth and the greater your understanding of and subsequent comfort with the opportunities provided, the more financial value you are likely to derive. Even if you're not quite at the financial level you would like to achieve *Insider* will allow you to turbo charge your knowledge building right now.

What assets/instruments are you using?

The majority of our trades are either equities (ETFs/Indexes included) or options contracts on equities. Nothing too sophisticated, and there are instructions on how to trade each idea, including brokerages and the like. We also have special reports designed to educate you on anything (e.g. bitcoin, long-dated call options etc.) that might be helpful. I'm also here to answer questions.

What is your process for finding opportunities?

Our investment alerts are typically sourced from within our global network of colleagues, many of whom are investment legends. At times they may be a direct idea from one particular fund manager while at other times they may be a culmination of many ideas from multiple sources. We speak regularly with investment professionals in many niches, whether it be commodities traders, FX traders, hedge fund managers, global risk consultants, military experts and policy makers. All of these sources help us to narrow down the opportunities best fitting this service. Opportunities are sourced and provided when the opportunities exist and not on any timetable. After all it would

serve neither of us if we dished out alerts like candy at a 5 year olds party! We'd all get fat and gain zero nutrition.

Why are you selling a subscription if you're running a fund and making money?

As mentioned, much of my success has come from knowing incredibly bright people that I can go to for stress testing ideas and so forth. If you've listened to my podcast you'll know what I mean. Insider is a way of engaging with readers who are serious about becoming sharp investors via profiting from asymmetry. For anything to have longevity I believe it should be built to be sustainable and indeed a service which costs me hundreds of thousands of dollars to put together would be far less sustainable run as a philanthropic exercise.

If you are generating great returns and managing a fund, why are you making your trades public?

There have been cases of subscribers copying my stuff and sending it out on the interwebpipes. That's life; I find out about it via people mentioning it to me and those customers get banned. In a way it's a good sign because the most sincere form of flattery is when someone copies you. With regards to the fund, I'm actively managing the money of my clients, so it's a whole different type of service, even if based on the same ideas.

What if I'm an accredited investor (worth over \$1m or earn \$300,000 per year)?

Insider will be great for you, especially if you manage your own capital. I also have other products for you... please [get in touch with me personally](#) to discuss.

What if I manage money for other people... can I still buy Insider and use its content?

Yes, but please [contact me personally](#) prior to purchasing.

What if I work for a fund who is interested in your ideas?

[Contact me personally](#).

OK, say I subscribe... am I locked in, or can I cancel at any time?

After you purchase Insider, your membership is set to renew automatically after 12 months for the purchase price, but you can cancel the renewal at any time. If you are unhappy with the content or you feel that the content is simply not the right thing for you, you can always get a refund up to 30 days from the date of purchase. A few weeks before your renewal is due, we will send you a reminder with instructions on how to cancel your membership should you wish to. If you forget to cancel and your membership renews without you wanting to continue it, you can cancel and get a refund up to 30 days after the renewal.

OK, but what's the price after 12 months - are you going to be sneaky and raise it?

No, the renewal price of your membership is exactly the same as the initial price you are paying today. Even when we raise the price in the future, your savings will be locked in for eternity.

Do you do discounts?

Nope. So please don't ask.

INSIDER

ALERTS PERFORMANCE

Period: Sep '16 - Jan '17

Summary				Holdings	Realised	Transactions	Reports	Charts	
Instrument Name	Shares	Market Price	Buy Price	Gain	Gain %	Market Value	Cost Basis	Day's Gain	Day's
Areva Sa	190	5.20	4.50	+140.54	+15.57%	1,043.33	902.79	-0.69	-0.07%
Bank of America Corp	46	22.94	21.84	+50.60	+5.04%	1,055.24	1,004.64	+17.94	+1.73%
Centrus Energy Corp	165	7.55	6.06	+245.85	+24.59%	1,245.75	999.90	-8.25	-0.66%
Credit Suisse Group AG (ADR)	73	15.63	13.68	+142.35	+14.25%	1,140.99	998.64	+1.46	+0.13%
Deep Yellow Limited	68,000	0.03	0.02	+504.49	+50.35%	1,506.54	1,002.05	+408.75	+37.23%
Global X Funds	74	15.60	13.67	+142.82	+14.12%	1,154.40	1,011.58	+91.02	+8.56%
Mongolian Mining Corporation	64,800	0.35	0.12	+1,879.36	+187.50%	2,881.69	1,002.33	+291.36	+11.25%
PowerShares DB US Dollar Index Bullish	39	26.35	25.94	+15.99	+1.58%	1,027.65	1,011.66	+0.39	+0.04%
The NYSE Bitcoin Index	1.55	902.52	645.00	+399.16	+39.93%	1,398.91	999.75	+0.83	+0.06%
WisdomTree Japan Hedged Equity Fund	20	50.43	51.03	-12.00	-1.18%	1,008.60	1,020.60	-7.00	-0.69%
Subtotal				+3,509.16	+35.25%	13,463.10	9,953.94	+795.81	+6.28%
Cash (USD)				-	-	-9,953.94	-9,953.94	-	-
Total				+3,509.16	+∞	3,509.16	0.00	+795.81	+29.33

This table is a screenshot from one of our equity trading accounts where we place \$1,000 on all trades we recommend to our subscribers, to illustrate exactly what the Insider subscription has delivered so far. These trades were placed between September 2016 and January 2017 and have generated a 35.25% return so far.

INSIDER

TRADE ALERT EXAMPLE

At the time of publishing this document, this investment is up 187.5%

12 September 2016

CONSERVATIVELY MAKING 5X YOUR MONEY IN A FORGOTTEN MONGOLIAN MINER

Today I'm sharing with you an opportunity that I believe has a favourable risk/reward setup whereby - if I'm correct - we can conservatively make 5x our money. But before I give you the background and thesis, let me explain why you're receiving this.

What follows is the thinking behind a trade I am currently long both personally as well as in the Asymmetric Opportunities Fund. I need to make this very clear. I am long at HK\$0.12 this stock and I have already provided a very small group of friends and personal clients the information I am about to share with you.

As such please be aware that you are receiving this information nearly two weeks later and things are already moving quite quickly.

I have agonized a bit over whether or not to share this with you for a couple of reasons.

This opportunity is very speculative, as you'll see. And if you do buy, do it carefully and don't, just don't, chase the share price above the level I mention below. I'm mentioning the opportunity to you because:

- 1. You might be able to make some money, and I want to be completely transparent with you about my own existing positioning and how I'm investing.*
- 2. I wanted to give you a peek into a service I will be launching shortly where I, together with my team, scour the globe looking for asymmetric opportunities sourced from my rolodex of friends, and colleagues and other times originated by myself or one of my team. This*

particular opportunity isn't necessarily typical but does highlight the sorts of opportunities that are out there.

Onto the topic for the day...

I have very close contacts throughout the world and one country where my contacts run deep is in *Crazystan* Mongolia, a country that was both spectacularly successful for me right up until when it was just as spectacularly unsuccessful.

The government which came to power in 2012, through infighting, nepotism, stupidity, and a host of characteristics not uncommon in government everywhere - managed to obliterate foreign capital investment (FDI) putting a halt to the incredible growth Mongolia had experienced for the previous decade.

I won't rehash the story for you here as it's well documented elsewhere.

What follows is the thinking behind the opportunity and why I believe it to be worthy of investment.

If I was to ask you what is the most contrarian thing you can buy today, what might that be?

How about the equity in a bankrupt Mongolian miner?

Mongolian Mining Corp (MMC) 975 in Hong Kong also trading as an ADR in the US under the ticker MOGLF has the makings of a multi-bagger (possibly even 20-bagger). Crazy, right? That's why it's called contrarian investing.

Apologies in advance, but this write-up will be short on numbers and tangible data and long on Mongolian politics. In the end, that's the thesis here. The past no longer matters.

MMC owns the Ukhaa Khudag (UKG) coking coal mine, which makes up a tiny fraction of the massive Tavan Tolgoi (TT) coking coal deposit.

TT is the world's largest coking coal deposit situated about 200 km from the border of China, the largest user of the stuff. Due to the size and seam width of the deposit, it is one of the lowest cost coking coal mines in the world, and its proximity to China should effectively knock Australian seaborne coal out of the market.

In a perfect world, UKG and TT coal should be mined and railroaded directly to Chinese steel plants from the mine-mouth, saving substantially in handling cost when compared to Australian chipping costs.

The Aussies on the other hand railroad it to a port, put it on a ship, unload the ship in China and then ship it by train to the steel mill in China. It's the handling costs that are expensive and Australian coal should not be going to China when compared with Mongolian coal that can be shipped anywhere in China directly from the mine-mouth by rail.

Unfortunately, due to domestic politics (more below), MMC now trucks the coal in huge caravans of trucks nearly 200 km to the border, where it is dumped in large piles to be picked up by Chinese traders who then drive it to railheads in China before finally getting on a railroad.

Due to this dysfunctional supply chain MMC coal is currently uncompetitive. This has led to a near ceasing of production and the default of MMC's approximately US\$700 million debt burden. The odds look decent that over the next few months there will be a clear path to resolving the debt and railroad issues, which should lead to a very substantial revaluation of the shares, which have effectively been left for dead.



Let's talk politics

Mongolian politics is notoriously colorful and dysfunctional where personal feuds and interests often overshadow national interests. There are 2 key parties, Democratic Party (DP) and Mongolian People's Party (MPP). When the DP won the election in 2012, they immediately set out to destroy all MPP owned companies and interests. MMC is the largest MPP owned company and it was directly targeted for destruction.

During the past four years, the country changed the tax and royalty rates on coal companies, selectively closed and moved border crossings to inhibit MMC coal from being sold, confiscated

MMC's existing paved road to the border, banned MMC from building a railroad to the border and generally succeeded in destroying the company's ability to operate or succeed.

Adding insult to injury, the government owns the TT deposit and has consistently produced and sold coal for less than market prices, effectively undercutting MMC coal—while also creating a glut at the border and largely bankrupting the government's coal company (ETT) in the process. MMC stopped production, but the government's ETT continues to produce at massive losses for no logical reason.

In 2015, MMC was able to put together a consortium of leading Chinese and Japanese firms (including Shenhua Energy and Sumitomo) that would pay to build a railroad to the border, build a power plant and then operate the TT mine so that the government of Mongolia would no longer be in the coal business.

Instead, the government was to earn royalties and taxes. MMC would benefit as project operator, but more importantly, they would get access to the new railroad that would make their coal cheaper than Australian coal and let them once again ramp up production from almost nothing to nearly 10 million tons a year without substantial additional capital investment as all mining is done by a contractor. It was a brilliant deal for all involved, but the DP government was so focused on destroying MMC that they refused a deal that would have improved the government's own finances.

The complete incompetence of the DP became their undoing. When they took over in 2012, the economy under MPP leadership was growing at 17%. Following a war on MPP and foreign businesses, confiscations of assets and arbitrary imprisonment of many foreign business leaders the economy has collapsed.

Today, the GDP is rapidly contracting. The government's deficit is over 20% of GDP, the central bank has a negative balance sheet and the government hasn't paid workers in months. It appears that an IMF bailout is imminent and that the government may default on its sovereign debt.

In June, the MPP won a landslide victory where they secured 65 out of 76 seats in parliament, giving them a clear mandate to fix the disaster created by the DP and much more importantly, to reward key MPP businesses. No Mongolian owned business in Mongolia is larger than MMC and the key MMC shareholders directly funded much of the MPP election campaign. I suspect that those shareholders will now reap the rewards.

It has now been 2 months since the elections, the key ministers have been chosen and I think everyone is ready to get down to business. To start with, the government will stop selling coal for US\$25/ton when the price at the border is over US\$50. This became clear when the head of ETT,

the government's coal company was replaced just recently with an MPP executive. The head of Erdenes Mongol, the state company that owns ETT, resigned last Sunday without a replacement announced.

It seems pretty obvious that the consortium deal is back on the table and will probably become sweeter for MMC than the prior version. In addition, there's also a strong likelihood that MMC's 18 million ton wash plant will be used to wash ETT coal in a toll milling situation.

The new railroad, a toll washing agreement on ETT coal, management of the ETT mine will all create huge value. No one knows the terms yet, but people are throwing around cash flow estimates to MMC in the hundreds of millions (possibly even a billion) annually. There's just one problem with this all playing out, MMC still owes globs of debt that it has defaulted on—the creditors are still in control (sort of).

Let me state the obvious—the creditors have no idea what to do with this debt. It's not like they can seize the crown jewel of one of the most powerful guys in Mongolia and then operate it when he controls the government. In one of the craziest bankruptcies you're likely to ever witness, the creditors have agreed to take a massive haircut on their debt (US\$750m becomes US\$570m) with the new bonds paying interest in PIK format along with varied payments based on coal prices. In exchange, creditors are getting 10% of the equity.

The only holdup now is BNP Paribas who is fighting for better terms on their US\$93 million of debt. Fortunately, the joint provisional liquidator (JPL) seems to be pushing back against them and is likely to force a deal soon.

As you can imagine, MMC wants to look as broke as possible during bankruptcy negotiations and any deal on the consortium is very much on the back-burner and out of sight as well. For this reason, despite an increase in coal prices to a level that is quite profitable, MMC has not increased production—heck, they even took an impairment on their coal stockpile to make their first half loss look worse.

So, that's the roadmap for you.

At some point in the next month or 2, MMC will have settled with creditors and no longer have onerous cash interest costs. At that point, it can start producing coal and selling it into a market that is no longer saturated with underpriced ETT coal. A consortium deal will be announced before year-end and suddenly there will be a roadmap towards a company that can produce hundreds of millions a year in cash flow. Not bad for a company with a market cap today of only a hundred million.

By the way, if you don't believe me, look at the stock trading lately. Since the election, lots of plugged in Mongolians are buying all that they can get and many of these guys are the parliamentarians who will approve the consortium deal this fall.

I apologize in advance if this is the most unorthodox write-up of all time. Any analysis of the past is almost irrelevant. All that matters is that there's an MPP government, an MPP controlled company and a country that is totally broke and in desperate need of good news, jobs, taxes and royalties. A deal was on the table last year, it's still on the table (silently) and MMC is going to clinch it this year.

It's worth noting that when the consortium deal was only talk in the back rooms of parliament, the MPP shareholders did a rights offering at 0.28 and fully subscribed for their shares in order to increase their ownership, even though it was unlikely that the consortium deal could get through a DP government. If they thought the shares were cheap at 0.28, they must think it's a much better deal today at 0.12 with a higher coal price and full control of the government.

The above was written about two weeks ago and today the stock trades at HK\$0.16 which is a lot higher than 12 cents but still a long way off the buck I think it gets to.

I'd suggest being patient and I'd buy up to 0.25 if I had to move on it now. I have noticed that the volatility is lower in the stock and I suspect this is due to less sellers coming in and a fairly solid base being set.

Please realize that this is NOT something you want to be betting the farm on as the downside is that liquidity evaporates and this goes straight to zero. It can and does happen. Please trade accordingly.

Disclosure: I, as well as the Asymmetric Opportunities Fund, have an average buy price of HK\$0.12 and a conservative position where if this goes South it won't be a killer.

And if it runs as I think it has the very real potential to do, then I could buy myself that Aston Martin DB9... though, I won't.

Sincerely,

Chris

INSIDER FEEDBACK

“Just thought that I would give some feedback on the insider service - I've been blown away by the quality and sophistication of the content. The eurodollar and euribor trades are a skill-set and thinking that I would never have access to, the learning curve I've been on over the last couple of weeks has been a steep but very rewarding one.”

“I'm currently onsite at the "bankrupt Mongolian coal miner". Love your work and keep it up. The information I receive from Insider is an extremely enjoyable form of education for me in subject matter I would have previously just turned the page on.”

“Thanks for your stuff. I've been investing in some of the alerts and I'm 90% up.”

GENERAL FEEDBACK

“I am the CIO of **** where we manage a long short global macro fund, and was introduced to your work by one of my analysts. If you ever need someone to bounce ideas off please don't hesitate to reach out. Your recent work on the crisis in Europe is the most cogent brilliantly written piece of analysis I've read and as I'm sure you're aware we regularly buy research for tens of thousands of dollars which doesn't come close to what you're providing. You can get a hold of me on *****. I would love to speak with you.”

“Hello Chris .. you are a breath of high-quality fresh air in a sea of algae infested swamp (aka the Internet & Investing). Specifically, your recent intro to Mongolia Mining has provided exactly the type investment I enjoy conducting diligence on .. thank you! In this same post re: MMC, you indicated the near-term launch of a service to provide “asymmetric investment opportunities” .. pls note, I would be grateful to have the opportunity to consider being a client of this service .. many thanks for your passion, effort and insight to date ..”

“I have to say your understanding of macro-economics and behavioural psychology together are truly extraordinary. I've never seen the two combined in the way you manage to bring it all together. I've gone back and read many posts from the last year and I dare say if I'd known about you I'd have saved myself quite a bit of money. Please keep up the great work and passion you clearly have.”

“I owe you a debt of gratitude. After losing so much money with half a dozen newsletter services I found your website and over the last 2 years have made more money than from any other service and all for free. If you ever offer a paid service I'll buy it without question because I already owe you.”

INTERESTED IN BECOMING AN INSIDER?

HERE'S WHAT YOU GET WHEN YOU SUBSCRIBE

Access to ideas that have come from my
network - some of the smartest and
most successful traders in the world

Alerts on exactly the same trades I am
making for the institutional fund I manage

Guidance on how to execute on the ideas in
multiple ways, to suit your situation

In-depth investment reports. So far these include
an introduction to trading Options and Bitcoin

Weekly market analysis - a roundup of the week's
most important macro events, especially those
impacting trades

30 days to try the product risk free. Email us
within 30 days if you are not happy with
the product and we'll refund your money
no questions asked.

\$949 / Year

GET IT HERE

<https://capitalistexploits.at/register/insider-949/>



**CAPITALIST
EXPLOITS**

Disclaimer

Capitalist Exploits is not intended to render investment advice. None of the principles of Capex Administrative Ltd or Chris MacIntosh are licensed as financial professionals, brokers, bankers or even candlestick makers in any jurisdiction, anywhere on this big ball of dirt. We do NOT know your individual situation, and you should always consult with your attorneys, accountants, financial planners, and those sanctioned to provide you with advice. DO YOUR OWN DUE DILIGENCE.

Look around you. All investments carry risk and since this site discusses investments absolutely EVERYTHING discussed carries risk. Like a bad marriage certain investments can lead to you losing 100% of your capital and maybe more if you are stupid and use margin, your credit card, mortgage, or borrow money from Joey down at the tavern, to make your investments. If you're so inclined to do so then I strongly suggest you put down the scissors and go read a different website because you have problems I'm not going to be able to help you with.

But seriously...

Capex Administrative LTD – parent company of CapitalistExploits.at is not a registered investment advisor or broker/dealer. Readers are advised that the material contained herein should be used solely for informational purposes. Neither CapitalistExploits.at, Capex Administrative LTD purport to tell or suggest which investment securities members or readers should buy or sell for themselves. Readers, subscribers, site users and anyone reading material published by the above mentioned entities should always conduct their own research and due diligence and obtain professional advice before making any investment decision. Capex Administrative LTD, its principles and employees cannot and will not be liable for any loss or damage caused by a reader's reliance on information obtained in any of our posts, newsletters, special reports, email correspondence, memberships or on this website. Like us, readers are solely responsible for their own investment decisions.

The information contained herein does not constitute a representation by Capex Administrative LTD or CapitalistExploits.at or a solicitation for the purchase or sale of securities. Our opinions and analyses are based on sources believed to be reliable and are written in good faith, but no representation or warranty, expressed or implied, is made as to their accuracy or completeness. All information contained in our newsletters or on our website should be independently verified with the companies and individuals mentioned. The editor and publisher are not responsible for errors or omissions.

Capex Administrative LTD may receive compensation from time to time from the companies or individuals that may be mentioned in our newsletters, special reports or on our web site. If compensation is received we will indicate that compensation in the post or the content, or on this website within this "disclaimer." You should assume a conflict of interest when compensation is received and proceed accordingly.

Any opinions expressed are subject to change without notice. Owners, employees and writers may hold positions in the securities that are discussed in our newsletters, reports or on our website. Owners, employees and writers reserve the right to buy and sell securities mentioned on this website without providing notice of such purchases and sales. You should assume that if a company is discussed on this website, in a special report or in a newsletter or alert, that the principals of Capex Administrative LTD have purchased shares, or will make an investment in the future in said company.

If you have a question as to what we own and when, we are happy to fully-disclose any and all interests to our readers.

© Copyright 2017 by Capitalist Exploits