

how's it going everyone it's sam i  
wanted to talk to you about a spec today  
that just announced their merger with  
etoro  
so this is similar to something like  
robin hood  
but it's i believe it's a little bit  
more international and i'll hit on that  
in a second  
but i had run a little analysis between  
this  
and between the sofi spack i should be  
saying  
and i compared both of them side by side  
looked at future projections  
and i want to compare it for you guys i  
had done that for the patreon and until  
someone asked me on my video that i just  
released  
i didn't even really think about making  
a video on it because i did this pretty  
quickly but i think that it can provide  
a lot of  
a lot of good to a lot of people so if  
you guys like this if you guys  
like these kinds of analysis between two  
different companies please leave a  
thumbs up please let me know in the  
comments below  
there is a link down there to weeble in  
case you want some free stocks i would  
love to see weeble go public i want to  
see what their evaluation and  
compared to these companies uh let me  
know and maybe in the comments if you  
want to see that uh  
but there is that link down there in  
case you want to get some  
free shares of stock and there is a link  
down there to block five two in case you  
want to check that out you can get up to  
250  
and uh you can also get an interest rate  
on your cryptocurrency there's also a  
link down there  
to the patreon if you guys want to get  
this information a little bit earlier  
and you know i apologize i i'm a little  
bit tired today  
uh i think all this wedding planning  
stuff buying a house taxes  
uh the the dip towards the end of the  
day oh man it just  
it's making me a little bit tired i

actually have uh a kirkland  
energy shot here not a sponsor or  
anything but i'm gonna take some of that  
as soon as we're done here  
uh but we're gonna we're gonna get  
through this here so they're merging  
with  
ftcv so this  
back was just announced today and it  
went up 43  
so a couple things that you should know  
before we even look at the investor  
presentation  
it's being valued around 10 billion  
dollars there's a pipe  
included in here and the investors  
include ion investment group  
softbank vision fund 2 third point llc  
fidelity and wellington management so  
some pretty big names there  
you can see here that they have  
popularity in the european and asian  
countries  
so that's why i think we don't have as  
much that we hear about it here in the  
u.s  
because really i hadn't heard about  
etoro too much i had heard the name but  
i didn't really know too much  
about how big they were and they're  
actually putting up some pretty good  
numbers so they're very similar to sofi  
where some companies just focus on stock  
investing  
this holds a a plethora of different  
products that they have you can see the  
registered users have grown dramatically  
even since the end of last year so this  
is the end of each  
uh period and they had 17.5 million  
users at the end of 2020 and  
this obviously is not directly  
correlated with the size of these graphs  
i  
i hate that it's something that they  
teach in school when they're not  
the same proportion so there's about a 5  
million difference here between 2019 and  
2020 and then about a 1 million  
difference here  
already though in january which is a  
large amount  
increase now they have 1.2 million  
funded accounts definitely less than

their registered users  
and about 69 of their funded accounts  
are  
in europe 18 in asia pacific region and  
then  
eight percent in the americas so they're  
in some countries that we don't see a  
lot of  
exposure to with some of the investing  
apps that we invest in here  
now i will compare these two together so  
fi  
and etoro they launched in 2010  
they were fun founded in 2007. they  
introduced bitcoin back in 2013 so  
a very early adopter they say converging  
the etoro experience into a single  
device application in 2015 launched  
smart portfolios and additional crypto  
assets in 2017 and then launched zero  
commission stocks and expand to the us  
in 2019 now they hit on the fact that  
this is a huge total addressable market  
totally true especially as more and more  
people  
are joining the market and as more and  
more millennials are looking for these  
kinds of platforms  
it's definitely something where there's  
a lot of money to be made  
now they have smart portfolios they have  
etoro money  
they are expanding into the us i  
wouldn't be surprised if they started  
other lines of business or other  
products in here  
that could really help them expand and  
by that i mean getting into  
credit cards loans other types of income  
that can be driven into the business  
because right now most of their money is  
just coming from trading revenue  
there's also some interest income and  
some currency conversion and other  
income  
but most of it's from trading revenue  
then you can see their compounded annual  
growth rate it's actually pretty high  
but they did have a big dip in 2019  
they are expecting uh about 605 million  
dollars for 2020  
with net revenue about 544 million  
they are expecting to increase revenue  
quite drastically over the coming years

now comparing these two companies  
comparing sofi  
and then comparing etoro all these  
numbers are in millions except for the  
price per share but etoro  
is in about 15 per share so far about  
18.8  
their approximate valuation at 10 a  
share was about  
10 billion dollars for etoro and about  
8.6 billion dollars  
for sofi that means the valuation right  
now  
is actually pretty similar between these  
two companies it's about 16 billion for  
sofi and 15 billion for etoro 2020  
revenue  
is pretty similar between these two  
companies too so sofa is about 621.  
etoro is about 605. now they are very  
different and  
that etoro is more european-based and so  
phi  
is much more u.s based you can see that  
their 2020 price to sales ratio is  
pretty similar  
with etoro at about 25 and so if i about  
26  
the 2022 revenue is where we start  
diverging and i didn't look at 2021  
2023 or 2024 i really just did it two  
years out and then five years out which  
you'll see in  
here in a second but so fi expects to be  
to about 1.5 billion dollars worth of  
revenue  
while etoro is about 1.2 billion i would  
expect these to be somewhat  
on point with what they'll actually hit  
because these companies try to do a  
pretty good job  
sometimes they might come in actually a  
little bit lower on their estimations  
they try not to overestimate because  
that's  
really bad for the share price but that  
is what they're saying now  
that means that the 2022 price to sales  
ratio of sofi is about 10.77  
as opposed to about 12.55 now 2025  
we see a big difference here about 3.7  
billion dollars  
in revenue for sofi and about 2.55  
billion dollars

for etoro giving them a pretty different price to sales one is about 5.89 and then one's about 4.4 so we started to see a little bit of divergence now they're pretty similar honestly in their valuation in their revenues as more and more companies come to the market a lot of these companies will be pushed back a little bit and not thought of as much but there is still some hype around these companies as they're getting closer to their spac merger and these are really fintech companies that should trade at pretty high multiples i think these definitely are expensive companies based on where they are now but five ten years down the line might not be as expensive i still hold shares of sofi i have not bought etoro there's actually a company that i bought that i told my patreon members about this morning that is a brokerage but not one of these and it's already been on the market for a while it's moving up very quickly it's growing revenues very quickly quicker than both of these companies by far if you guys want to check that out i'll probably do a video on it over the next few days but if you guys want to check it out a little bit sooner uh there's definitely a link down there to my patreon if you guys want to check that out thank you guys so much i appreciate it and i will see you guys in the next video if you want to see my video on what to expect over the next day or two in the market definitely check out this video here on the end screen thanks you