Ah the good old days. Stocks up $25, $50, $100 more in a single day. Day trading was all the rage. Anyone and everyone you talked to had a story about how they had made a ton of money on such and such a stock. In an hour. Stock trading millionaires were being minted by the week, if not sooner.

You couldn't go anywhere without people talking about the stock market. Everyone was in or new someone who was in. **There were hundreds of companies that were coming public and could easily be bought and sold**. You just pick a stock and buy it. Then you pray it goes up. Which most days it did.

Then it ended. Slowly by surely the air came out of the bubble and the stock markets declined and declined till the air was completely gone. The good news was that some people were able to see it coming and get out. The bad is that others were able to get out, but at significant losses.

If we thought it was stupid to invest in public internet websites that had no chance of succeeding back then, it's worse today.

In a bubble there is always someone with a "great" idea pitching an investor the dream of a billion dollar payout with a comparison to an existing success story. In the tech bubble it was Broadcast.com, AOL, Netscape, etc. Today its, Uber, Twitter, Facebook, etc.

To the investor, its the hope of a huge payout. **But there is one critical difference. Back then the companies the general public was investing in were public companies. They may have been horrible companies, but being public meant that investors had liquidity to sell their stocks**.

The bubble today comes from private investors who are investing in apps and small tech companies.

Just like back then there were always people telling you their idea for a new website or about the public website they invested in, today people always have what essentially boils down to an app that they want you to invest in. But unlike back then when the dream of riches was from a public company, now its from a private company. And there in lies the rub.

People we used to call individual or small investors, are now called Angels. Angels. Why do they call them Angels ? Maybe because they grant wishes ?

According to some data I found, there are 225k Angels in the US. Like the crazy days of the internet boom, I wonder how many realize what they have gotten into ?

But they are not alone.

For those who can't figure out how to be Angels. You can sign up to be part of the new excitement called Equity Crowd Funding. Equity Crowd Funding allows you to join the masses to chase investments with as little as 5k dollars. Oh the possibilities !!

I have absolutely not doubt in my mind that most of these individual Angels and crowd funders are currently under water in their investments. Absolutely none. I say most. The percentage could be higher

Why ?

Because there is ZERO liquidity for any of those investments. None. Zero. Zip.

All those Angel investments in all those apps and startups. All that crowdfunded equity. A**ll in search of their unicorn because the only real salvation right now is an exit or cash pay out from operations**. ***The SEC made sure that there is no market for any of these companies to go public and create liquidity for their Angels. The market for sub 25mm dollar raises is effectively dead.*** DOA . Gone. Thanks SEC. And with the new Equity CrowdFunding rules yet to be finalized, there is no reason to believe that the SEC will be smart enough to create some form of liquidity for all those widows and orphans who will put their $5k into the dream only to realize they can't get any cash back when they need money to fix their car

So why is this bubble far worse than the tech bubble of 2000 ?

Because the only thing worse than a market with collapsing valuations is a market with no valuations and no liquidity.

If stock in a company is worth what somebody will pay for it, what is the stock of a company worth when there is no place to sell it ?

I dont often check the comments here , If you want to discuss with me , hit me up on Cyber Dust app. Add the account AskMark and ask away

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