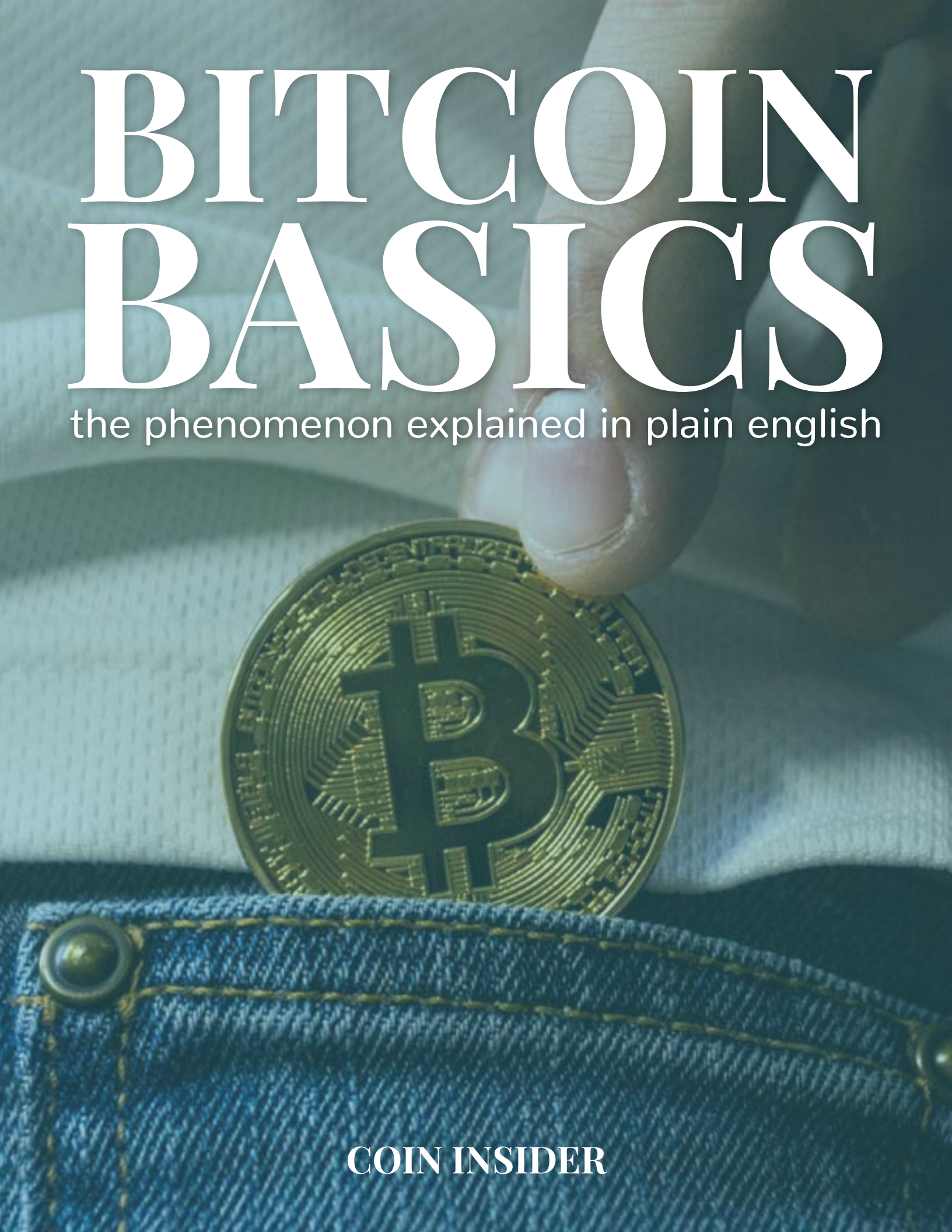

BITCOIN BASICS

the phenomenon explained in plain english

COIN INSIDER

BITCOIN BASICS

the phenomenon explained in plain english

You may have heard about Bitcoin on the news, from a friend, or even in idle conversation, but what is it, really?

Bitcoin is a new paradigm for money and the exchange of value. Underpinned by novel technology, created by an anonymous author, and threatening to change the global financial landscape forever, few advents in human history have been so widely discussed yet so seldom understood.

In Bitcoin Basics: The phenomenon explained in plain english, we'll be taking you through a crash course in just how Bitcoin – and cryptocurrencies in general – could change our world as we know it.

Our series kicks off in ten parts, and gives you a foundational understanding into not only what Bitcoin is, but how it works, where it can be obtained, and whether it will be considered legal tender in the future!

COIN INSIDER
the authority on blockchain news

BITCOIN BASICS CHAPTERS:

WHAT IS BITCOIN?
In part one, we dive in headlong into Bitcoin and unpack this new financial paradigm piece by piece. In this article, we define Bitcoin, describe what the Blockchain is, and unpack how and when Bitcoin started.

HOW DOES BITCOIN WORK?
Bitcoin leverages new technology and a network of computers throughout the world to function. In part two, we explore the process through which Bitcoin works through unpacking the mechanics of the blockchain, and evaluate what parties should know when using Bitcoin.

WHAT IS BITCOIN MINING?
Bitcoin mining refers to the process wherein Bitcoins are created and enter the system. In part three, we investigate how this process works and whether Bitcoin mining is actually profitable in the long-term.

WILL BITCOIN FAIL?
In part four, we discuss the likelihood of whether Bitcoin will fail given its emergence as a novel technology and its threat to centralized financial sectors. We also explore whether Bitcoin is inherently a commodity 'bubble', and whether Bitcoin itself is a scam.

IS BITCOIN LEGAL?
Regulatory attitudes are shifting towards Bitcoin and cryptocurrencies. In part five, we explore whether Bitcoin is legal and provide case examples for how different governments and financial regulators are approaching Bitcoin and other cryptocurrencies.

IS BITCOIN MONEY?
Bitcoin is designed to operate as a scarce digital commodity. In part six, we explore whether – and how – Bitcoin satisfies the major use cases and properties of money. We further evaluate several major online vendors who have accepted Bitcoin as tender.

HOW MUCH IS A BITCOIN WORTH?
In part seven, we unpack how Bitcoin's value is determined by the investment and use of its community, and how it is officiated by the distribution of new Bitcoins into the market through the process of mining.

HOW CAN I BUY AND SELL BITCOIN?
There are multiple ways to obtain Bitcoin. In part eight, we discuss how one can receive Bitcoin as payment for services rendered or goods provided, receive it as a gift, endeavor to purchase it on an exchange or custodial service of one's choice.

HOW CAN I STORE BITCOIN?
In part nine, we explore how investors can store Bitcoin, and which particular types of wallets are best – providing an overview of desktop, mobile, hardware, and paper wallets as well as their respective strengths and weaknesses.

WHY SHOULD I INVEST IN BITCOIN?
In the final entry in Bitcoin Basics: The phenomenon explained in plain english, we examine why Bitcoin warrants investment and how it could change the world forever.

PART ONE:
WHAT IS BITCOIN?

Bitcoin is the next step in the evolution of money.

Bitcoin is the first example of a peer to peer money and is not controlled by any central authority. Because Bitcoin isn't controlled by a government or reserve bank, it is immune from the kinds of government manipulation that has devalued countless national currencies.

As no single administrator is responsible for the maintenance or backing of Bitcoin, transactions issued in Bitcoin are verified and recorded in a public distributed ledger that is called a Blockchain.

This means that computers around the globe each hold a copy of that public ledger, and transactions made in the Bitcoin network are visible for all to see. Users can buy and transfer bitcoins directly between each other or use a centralized exchange to buy bitcoin with traditional currencies.

Although all Bitcoin users essentially have the ability to see verified transactions in the Blockchain, the identity of transacting parties remains unknown. Whereas a bank might record the names of transacting parties, the Bitcoin blockchain instead represents parties impersonally as a series of alphanumeric characters.

Transactions listed in the Blockchain are verified through a process called Mining.

Computer users around the world, nicknamed Miners, bear both the responsibility of authenticating transactions in the Blockchain and introducing new bitcoins into the world.

Bitcoin Miners run open source bitcoin clients on purpose-built computers that compete to solve complex mathematical problems. When solved, these problems verify pending transactions and, as a reward, Miners receive an allotted amount of bitcoin as a reward when a 'Block' is completed.

There will be a maximum of 21 million bitcoins in existence, meaning that once all bitcoins have been awarded or 'Mined', no entity will be able to 'print' or create more.

How did Bitcoin start?

Bitcoin may have had its beginnings in what is known today as the 'cypherpunk' movement; an online collective of enthusiasts that met during the early 90s to discuss topics including mathematics, cryptography, computer programming, politics, and philosophy.

The cypherpunks' libertarian philosophy informed their view that the world might function more successfully with little to no government, and that strong online privacy and cryptography might inform the way people interact with one another in the future.

Bitcoin, as such, is not the first attempt at forming a digital currency; over thirty previous attempts have been made in the form of systems called CyberCash, E-Gold, NetCash and others. However, all of these systems supported a centralized authority and arguably offered little benefit to users, with many merely writing these ideas off as scams.

Bitcoin and the blockchain, as a decentralized digital currency, where first detailed in a white paper that was published by a writer under the alias of 'Satoshi Nakamoto'. Though thousands of media outlets and pundits have offered their speculation as to who or what Satoshi Nakamoto might be, there is, as yet, no conclusive answer.

Bitcoin refines on many of the ideas first expressed by the cypherpunks by using cryptography and mathematical proof to create a decentralized currency system where there is no central authority.

The Bitcoin network first came into existence when the first open source Bitcoin client was released, and when Satoshi Nakamoto proceeded to mine the first block of bitcoins (called the 'genesis' block) for a reward of 50 bitcoins.

Why was Bitcoin invented?

Bitcoin was intended to serve as an alternative to the current financial system. As designed by Satoshi Nakamoto, Bitcoin would serve as an electronic payment system based on mathematical proof that could function independently of any central authority and be transferred with very low transaction fees.

Fundamentally, Bitcoin is an attempt to solve an age-old problem; throughout human history, parties have used currency to authenticate and secure trust when trading goods.

Traditionally, a currency must be able to serve as a Store of Value (holding trust or significance over a long period of time), as a Mechanism of Exchange (which traders can

use to transfer value from one item to another), and finally as a Unit of Account (which people can use to price goods in a market).

We can see this exemplified in several use cases. To illustrate, in the time before paper money, people would pay each other in Gold and Silver. The rarity of these precious metals gave them a sense of value and significance, though typically either material is not easy to transport or divide into smaller portions (both important features of good money).

To simplify that problem, paper money emerged as a means to 'lay claim' to gold laying in a bank vault. This made it far easier for traders to transport paper money when facilitating transactions. Over time, Central Banks emerged as the mechanism where currency was issued and gold or silver were stored.

However, over time ties between paper money and gold (or silver) were severed. This effectively meant that there would be no limit as to how much paper money a bank would be able to create.

Instead, paper money (and later funds stored digitally) would be offered as credit. For example, when a bank issues a loan, it typically creates money, issues it to a loaner, and expects those funds to be paid back with interest. A bank traditionally keeps a reserve of this credit-based money to survive.

With government-issued paper money, a reserve bank can typically print money as needed by the economy. This can lead to inflation, where prices for goods increase and the purchasing value of paper money decreases.

In the worst cases, this can lead to financial crises where a bank will require a bailout or face the collapse of the monetary system.

As technology progresses, banks are now seeking means with which to transact digitally. This, in broad terms, would see currency values exchanged over the internet and mean that in the future, it would be exceedingly difficult for two human beings to trade without the intermediation of a bank.

Why is Bitcoin so interesting?

Bitcoin is incredibly interesting thanks to the fact that it could potentially serve as a better international monetary system than paper money thanks to the fact that it satisfies the properties of money better than traditional currencies. It is Durable (it lasts over time). Transportable (it can be easily transported from location to another), Fungible (where every unit is equivalent to every other), Divisible (where it can be broken down into smaller units), Acceptable (where it can be exchanged for goods and services), and Scarce (in that it has a limited supply and is difficult to fake).

Bitcoin is supported by the fact that it relies on mathematical proof as its foundation, that there will never be anything more than 21 million bitcoins in circulation, and that bitcoins will only become more difficult to create over time. In this sense, Bitcoin is called a deflationary currency.

Bitcoin offers an amazing alternative to the traditional banking system, relies on immutable mathematical proof for its foundation, and for the first time in human history offers a decentralized currency where trust between two parties can be scaled to the level where a global community has equal access to a global monetary system that is natively digital.

PART TWO:
HOW DOES BITCOIN WORK?

As we outlined in part one, Bitcoin is a radical new form of currency – called a crypto-currency or digital currency – designed to serve as a global money system.

Bitcoin relies on fundamentally new technology, cryptography, the use of incredibly powerful computers, and the internet to function.

As no single administrator is responsible for the maintenance or backing of Bitcoin, transactions issued in Bitcoin are verified and recorded in a public distributed ledger that is called a Blockchain.

Whereas, for example, one's bank of choice might hold a copy of the ledger that represent the flow of financial transactions through one's account, the Blockchain is a form of ledger that – rather than being kept by a bank – is instead shared between Bitcoin 'miners' and 'nodes' around the world.

The Blockchain draws its name from its underlying data structure that consists of 1-megabyte files called 'Blocks', which are essentially ledgers themselves. Blocks are 'Chained' together through a complex mathematical proof.

The Blockchain is a shared public ledger that the entire Bitcoin network relies on. All network nodes (computers running Bitcoin software) have the potential to access the Blockchain and view authenticated transactions. Transacting parties are, to some degree, anonymous as the Blockchain does not illustrate the names of parties but instead provides an alphanumeric designation.

Whereas one might rely on the trustworthiness of a bank to authenticate the integrity of a ledger, the Blockchain instead relies on cryptography (the art of writing or solving codes) as its proof.

When transacting in Bitcoin, parties leverage what is called a "Bitcoin Wallet" to exchange denominations in Bitcoin (BTC). Bitcoin Wallets provide their users with both a Public Key (the address from which one sends, or from which one receives Bitcoin) as well as a Private Key.

The term 'Wallet' can actually be described as a poor term to use; a more accurate name might be a 'Keychain', where users can copy both of their keys rather than simply have access to one.

A Private Key is an incredibly important 'signature' for Bitcoin users, which is used to confirm pending transactions by giving a mathematical proof that they originated from the owner of the wallet in question.

When a user wishes to transact in Bitcoin, their intention is signaled on the Blockchain by submitting a transaction signed with the user's private key. The bitcoin network then validates the transaction by checking that the to and from addresses are valid, that the private key is valid and that it has access to enough funds to perform the transaction. The transaction usually confirmed on the network within the following ten minutes.

The process of authenticating pending transactions and collecting them into a block to include in the Blockchain is called Mining. "Miners" are computer users with incredibly powerful hardware that solve complex mathematical problems to cryptographically sign a block of transactions and connect them to all previous transactions in the Bitcoin network.

Miners serve the Bitcoin community by securing the network. The process of solving the cryptographic proof for a block is extremely resource intensive. By winning the race to mine 1-megabyte 'blocks' of transactions, Miners receive a 'bounty' or 'reward' in Bitcoin.

A malicious transaction requires so much computation (and thus electricity) that in almost all cases it is more profitable to use that same compute power to secure the network instead and collect the block reward. This is what prevents bad actors from attacking the network and preserves the Blockchain from recording malicious or fraudulent entries..

Mining draws its name from the metaphor that Miners receive Bitcoin as a reward in a similar fashion to how rare commodities, such as gold, are mined from the ground.

What do I need to know about using Bitcoin?

While Bitcoin is a fascinating technology and perhaps both an exciting store of value and means of exchange, the Bitcoin network is fundamentally different from the traditional banking system and bears some notable differences.

While Bitcoin itself is unhackable in the sense that the Bitcoin network relies on complex mathematical proof as its foundation – and to even hack one transaction would immense resources – Bitcoin Wallets share the same vulnerabilities as conventional

wallets in the sense of that they are only as secure as their user leaves them.

As Bitcoin can be transferred anywhere around the world with ease, Bitcoin Wallets are an easy target for computer hackers seeking a fast way to steal digital currency. One should take care in selecting a trusted Wallet service and always secure their Wallet.

Another popular means of storage are custodial services or exchanges, which usually either participate in the holding or transaction of cryptocurrency, respectively. Given that these entities usually hold vast amounts of bitcoin and other digital currencies, they are attractive targets for internet hackers and care must be taken when using them.

Bitcoin is further easy to steal thanks to the facts that payments made in Bitcoin are irreversible without the assistance of the party which incorrectly received the funds in question.

Though the Bitcoin network can detect typos and will not allow users to send Bitcoin to an invalid address, confirmed transactions (thanks to the fact that they are secured by cryptography) must be treated as final. Therefore, transacting parties must be able to trust one another when exchanging Bitcoin.

Lastly, Bitcoin is not a fully anonymous system. Whereas one might rely on a bank to secure the privacy of one's bank account (a private ledger), all computers on the Bitcoin network have the potential to view the Blockchain and can usually see each Wallet's balance. All transactions are further visible on the network. Even though the names of transacting parties are not disclosed on the network when exchanging Bitcoin, sophisticated analysis of the blockchain could allow third parties to trace how bitcoin flows through the network.

PART THREE:
WHAT IS BITCOIN MINING?

There are two immediate ways to obtain Bitcoins; the first is to purchase Bitcoins (or a fraction of a Bitcoin) on an exchange, while the second is to accept the currency as tender for goods or services.

The third method, called "mining", is a process wherein Bitcoins are created and enter the system.

Whereas excavators drill into the earth and retrieve precious metals such as gold and silver, Bitcoin mining sees people around the world securing the Bitcoin network and earning bitcoin as a reward for the work expended.

As we've covered previously, the Blockchain is essentially a distributed, open ledger present on Bitcoin nodes around the globe. The Blockchain is constituted by "blocks", which are strings of numerous transactions linked together in a literal 'chain'.

Miners bear the responsibility of verifying transactions in the Blockchain. This is done by applying a complex mathematical formula to information present in each block that generates a shorter sequence of letters that is referred to as a 'hash'.

A hash is, in essence, a seal of verification that is applied to blocks of transactions at a specific time. Represented as a random string of letters and numbers, a hash is composed of information contained within the block as well as the hash of the previous block in the chain.

Should one element of the block be tampered with, an altogether different hash would be produced – altering not only the block itself, but any subsequent blocks in the chain. This means that any attempt to alter the blockchain is rendered easily visible and extremely expensive to fake. Like a fly slowly being trapped in layers of amber, each new block that gets added to the blockchain makes every previous block harder to change.

Miners leverage complex computer systems with special software to verify blocks of transactions. By creating a 'correct' hash sequence, each block becomes sealed off and the miner responsible for verifying transactions is rewarded with an allocation of Bitcoins.

At the time of writing, miners receive 12.5 Bitcoins per each verified block as a bounty.

This amount diminishes by half every 210,000 blocks. The fact that there will only ever be 21 million Bitcoins in existence ensures their value over time. As the amount of bitcoin created in each block decreases over time the dollar value of each bitcoin goes up.

Further, the difficulty to produce a correct hash is also increased over time; specifically, Bitcoin's difficulty adjusts every 2016 blocks, and is designed so that mining one block should take around ten minutes. This ensures that users cannot hash thousands of transaction blocks each second and ensures the distribution of Bitcoins into the world over a longer period of time.

Is Bitcoin mining profitable?

In 2017, Bitcoin's price surged from just $750 dollars to an all-time high of $20,000 USD – meaning that investors and traders have had great opportunities to make profits by holding and trading the cryptocurrency.

While most people might purchase Bitcoins at an exchange and even accept them as tender for services offered, there a few entrepreneurial bitcoin "prospectors" looking to mine their own share. However, many miners will find that they spend more time and resources attempting to stay abreast of the difficulty to mine Bitcoin rather than mining Bitcoin themselves.

The essential rule of Bitcoin mining dictates that the more one mines, the more complex the mining process becomes. At the time of writing, Bitcoin has proven too difficult for most conventional computer systems to mine and thus has resulted in the rise of dedicated 'Bitcoin mining rigs'.

Specifically, this has seen miners construct or purchase computing workstations with custom computer chips specifically designed to solve the Bitcoin hashing function. These custom chips, known as ASICs, allow miners to hash more efficiently – giving them a competitive advantage. However, the process of procuring these systems often has an unintended side-effect, as the expense of powering such rigs often can be more expensive than obtaining such equipment in the first place.

Statistics provided by Blockchain.info shows that bitcoin miners around the world use up 1 005.59 megawatt hours of electricity each day in their bid to produce more and more bitcoins. This means that the industry racks up over $150 000 in electricity costs each day.

However, Bitcoin mining can be immensely profitable thanks to the fact that bitcoins themselves are provided as a reward for successfully participating in the process, and as the value of bitcoin increases over time, one's profits can defray one's expenses.

At the time of writing, 12.5 Bitcoins are provided as a reward for verifying blocks of transactions on the Blockchain. This remains an alluring prospect for miners, and has even resulted in the emergence of large-scale Bitcoin mining firms which procure high-end computer systems to mine Bitcoin en masse.

In part four of our Bitcoin Basics series, we'll be exploring the likelihood of whether Bitcoin will fail in the future.

PART FOUR:
WILL BITCOIN FAIL?

If you've previously considered investing in Bitcoin, you've probably heard mixed sentiment – with detractors claiming that Bitcoin is a 'fraud', a 'scam', or maybe even a 'bubble'. A likely question on the minds of everyone who has taken interest in Bitcoin, or cryptocurrency in general, is 'will Bitcoin fail?'

Fundamentally, Bitcoin is a new paradigm underpinned by a new technology – the Blockchain – which we've never interacted with before. Like all new technology that emerges over time, Bitcoin and the Blockchain both have tremendous potential – however, that does not mean to imply that either are without risks. Neither are perfect, nor without room to improve in the distant future.

Bitcoin itself promises to be the next step in the evolution of money that resolves some of the fundamental problems with our present monetary system. It offers to be a worldwide, peer-to-peer mechanism of exchange and store of value that operates without the interference of governments, central banks, or other regulators.

As new investors have jumped on to the scene, the price per one coin has soared from little over one $1c to over $20,000 USD. All of these factors have provided Bitcoin with an enigmatic appearance in the media which has either driven excitement or fear in financial markets.

Is Bitcoin a bubble?

One of the arguments interested parties will likely hear first is that Bitcoin is merely a bubble, reminiscent of the 'dot com' bubble and crash that kicked off the events of the late 1990s and early 2000s.

The parallels here are not unfounded. The emergence of Bitcoin and the Blockchain is similar in base concept to the emergence of websites on the World Wide Web; both have seen a sharp increase in the price of assets, great public excitement, and stories of investors earning vast amounts of money have found a home with the media.

What is interesting about Bitcoin is that it provides a new store of value independent from central banks, fiat currencies such as the Dollar, or even gold or silver. Bitcoin is free from interference from centralized entities such as Bitcoin, and further, there will only ever be 21 million Bitcoins in circulation.

Further, Bitcoin's foundation is premised on mathematical proof – and though storage mechanisms (such as Bitcoin wallets) can be hacked – it is, in principle, unhackable. The, fact that the cryptocurrency relies on a decentralized ledger ensures that fraud is nigh-on impossible; however; It is important to note that fraud using Bitcoin is still possible, as it is with the Dollar.

In these key principles, Bitcoin can represent an amazing alternative to our current monetary systems that is founded on the absolute reliance of mathematical proof through cryptography.

There is no way to know, however, whether Bitcoin represents an 'investment bubble'. Bitcoin has continued to gain traction despite the predictions of respected market analysts, and there is simply little avenue to forecast whether the cryptocurrency will continue to appreciate or whether it will, at some point in time, diminish in favor of something else.

The price of Bitcoin (and other cryptocurrencies) is inherently volatile. Given the recent emergence of Bitcoin and the Blockchain, the international stance on either technology remains undecided.

The opinion of international entities (central banks or governments) to either embrace, regulate, or ban cryptocurrencies can have an immense impact on the price of Bitcoin on a daily (or even hourly) basis.

Regardless of whatever the financial future of Bitcoin is, the technology and concept that underpins Bitcoin as a digital currency cannot be destroyed. Presently, there are thousands of other cryptocurrencies – all leveraging the concept of the Blockchain in new and interesting ways. We can likely expect to see other such digital currencies (or other ideas using the same platform) in the near future.

For Bitcoin to utterly fail, every computer or network node running Bitcoin software around the world would need to be deactivated. Since all these nodes are independently controlled and spread all over the world there is no easy way to do this.

Investing in Bitcoin is an incredible opportunity but also brings with it immense risk. By investing in Bitcoin you not only potentially earn money, but become part of what could be the next evolution of the global monetary system.

Conversely, investors run the risk of losing all their money or running afoul of newly-minted regulations or tax law as nations and central banks struggle to keep up with Bitcoin's popularity.

A wise policy for those seeking to invest in Bitcoin (or other cryptocurrencies) would be to only invest funds which one is completely prepared to make a loss on.

Is Bitcoin a scam?

While one should take caution while investing in Bitcoin – as cryptocurrency markets are inherently volatile – neither Bitcoin nor its underlying technology, the Blockchain, are a scam.

Bitcoin has, unfortunately, developed a reputation that precedes it in certain circles thanks to some of its earliest adopters.

In its infancy, Bitcoin found an early home within illegal circles operating on the internet thanks to the fact that the cryptocurrency is decentralized and does not pass through a central regulator. Further, given that the digital currency is also relatively anonymous, Bitcoin powered some of the transactions on a massive online black market called 'The Silk Road' prior to its shutdown by the United States Federal Bureau of Investigation.

Software hackers, from time to time, have also made demands that ransoms are paid in Bitcoin or other cryptocurrencies thanks to the fact that transactions can remain anonymous.

For these reasons – and the fact that no group can claim 'ownership' of Bitcoin – the cryptocurrency has drawn much negative publicity that can at times overshadow the potential of its underlying technology.

Many notable investors have further called Bitcoin a 'scam' or pyramid scheme' thanks to the fact that Bitcoin is frequently cited as an 'unfounded fad' that has 'little or no value' beyond what people are prepared to pay for it. Some investors have gone so far as to say that the millions of people who have invested in Bitcoin can be prepared at any time to 'kiss their money goodbye'.

While Bitcoin has certainly attracted the attention of many people on the street, there is no compelling argument that indicates that Bitcoin as a whole is not without foundation.

Bitcoin's premise relies on technology and mathematical proof to ensure its authenticity – and while it may not be linked to a rare commodity such as gold or silver, fiat currencies such as the US Dollar or British Pound are themselves no longer linked to precious metals.

An important thought experiment is to consider what provides a fiat currency like the US Dollar with value. The most abstract and fundamental answer is that fiat currencies have value because one believes they do. If, for example, one considered a US Dollar worthless, one wouldn't accept it as tender for an exchange of goods – and the same example can be applied to Bitcoin.

This concept is hard to grasp for people living in well functioning societies where the government can be trusted to act reasonably or responsibly. One only has to look at countries like Zimbabwe and Venezuela to understand how quickly a currency can lose its value when people lose trust in the government backing it.

Bitcoin's future, and its future value, will be determined by how people around the world accept and use it. Arguably, at present, Bitcoin has become a form of 'digital gold' through which investors have stored their money. In the near future, should merchants around the world accept Bitcoin as tender for goods or services, we may be able to see the cryptocurrency become a more active means of exchange similar to how a fiat currency operates.

As they say, however, the future remains in motion.

PART FIVE:
IS BITCOIN LEGAL?

Bitcoin and the Blockchain are fundamentally new technologies that operate outside of centralized government, regulation, or legislation. For these reasons, national and corporate stances on Bitcoin and other cryptocurrencies tend to vary between nations – and many countries have only recently indicated their intent to embrace, regulate, or ban cryptocurrencies outright.

It is very important that you stay abreast of your country's policies on cryptocurrencies, and familiarize yourself with applicable tax laws as well as planned regulation in your home country.

Cryptocurrency has increasingly been discussed in political channels throughout 2017, and it is likely that this trend will continue. For many central banks and governments, cryptocurrencies represent a new reality; one where they have little control over the transfer of money and it is relatively impossible to regulate or govern cryptocurrencies through official means.

In our present climate, it could be argued that there are three political views on Bitcoin that have emerged throughout the course of 2017. These range from harsh regulatory views (banning cryptocurrencies, a pensive (wait-and-see) approach, and the general adoption of cryptocurrencies.

Much of the legal space surrounding cryptocurrency does not just affect Bitcoin, but also affects the operation of the Blockchain, of mining, and what are called Initial Coin Offerings (ICOs).

An Initial Coin Offering is a start-up sale that new cryptocurrencies hold upon launch in a similar fashion to how a company that is about to go public and issue shares might hold an Initial Public Offering (IPO).

Harsher stances on cryptocurrencies, and Bitcoin in particular, tend to have a negative effect in the market. For example, in 2017, China banned several Bitcoin exchanges (where Chinese nationals could purchase Bitcoin for Yuan) as well as ICOs within its borders – sending Bitcoin's price per coin reeling backwards by a measure of some $1,000 USD or more.

Russia, under President Vladimir Putin, has also signalled a tough stance on cryptocurrencies. President Putin has offered to regulate the operation of ICOs and cryptocurrency mining within Russia, which may well mean that investors who own Bitcoin in the country may have to pay tax on their earnings in 2018.

Some nations have indicated their plans to regulate cryptocurrencies and instead introduce a national cryptocurrency in their place. Russia and Kazakhstan have both announced their intent to use a national cryptocurrency, while the city of Dubai in the United Arab Emirates has announced a new cryptocurrency called emCash which citizens can use for private and governmental services.

Other nations have taken a "wait and see" approach to cryptocurrencies. For example, South Africa is presently testing cryptocurrency regulation in 'sandbox' (research) environments, while Namibia has yet to regulate cryptocurrency within its borders but has banned transactions using cryptocurrencies such as Bitcoin as tender.

Lastly, certain countries have embraced cryptocurrencies such as Bitcoin and have offered their support for not only Bitcoin mining, but further entrepreneurial environments created through ICOs. Taiwan and Japan are perhaps most famous for signalling their interest in cryptocurrencies during the course of 2017.

In principle, cryptocurrencies such as Bitcoin represent an immense challenge to governments, central banks, and the current monetary system; one where it is incredibly difficult to regulate payments or enforce contracts (agreements) made where cryptocurrency is the tender in question.

Quite simply, Bitcoin returns trade to a time before central banks emerged and housed gold or offered paper money. All trades conducted are peer-to-peer and operate with a degree of anonymity, while Bitcoin's ledger – the Blockchain – is publicly available on thousands of computers around the world.

Many nations see this as a threat to anti-money laundering efforts, and the fact that Bitcoin has been closely affiliated with rogue hacker collectives or online black markets in the past has made some governments especially wary of the technology that underpins either Bitcoin or the Blockchain in general.

Bitcoin does have some advantages over how governments and central banks presently use fiat currencies; Bitcoin's Blockchain cannot be altered or 'hacked', and neither can Bitcoins be fraudulently issued or created. The fact that there will only ever be 21 million Bitcoins ever created also means that Bitcoin is what is called a deflationary currency, in that its value will not decrease over time.

However, Bitcoin can be viewed to disband some of the control central banks have had over transacting parties for decades, and returns that control to people around

the world; a position that complicates the authority and ability of any government to regulate trade effectively.

While there is nothing that is inherently malicious about Bitcoin, nations around the globe will likely continue to express differing stances on cryptocurrency for years to come.

PART SIX:
IS BITCOIN MONEY?

As we've explored previously, Bitcoin is a peer to peer cryptocurrency that, thanks to its fundamental properties, is the next step in the evolution of money.

Bitcoin is designed to operate as a scarce digital commodity. Similarly to how gold and silver were used centuries ago, Bitcoin is designed to satisfy the major qualities of money.

Chiefly, there are five properties that Bitcoin needs to possess to operate as money. These are:

Durability (it doesn't degrade over time),

Transportability (it can be easily transported from location to another)

Fungibility (where every unit is equivalent to every other),

Divisibility (where it can be broken down into smaller units),

Acceptability (where it can be exchanged for goods and services),

and **Scarcity** (in that it has a limited supply and is difficult to fake).

In the modern world, neither Bitcoin, the US Dollar, or the British Pound inherently have any value. This value is truly determined by the willingness of a trader to accept either currency as tender in a transaction.

Thus, we can surmise that currencies need to have what is called utility. This amounts to three key use cases, which we can determine as:

Store of Value

Any currency needs to be able to hold its value over a long period of time. Gold is deemed to be valuable thanks to its scarcity. In the past, paper money was weighted against stores of precious metals such as gold or silver. Though this is no longer the case, we still term the price of gold on the market as a measure called 'The Gold Standard'.

Unit of Account

A ‘Unit of Account’ is a universal unit through which we price goods in a market. For example, the US Dollar makes use of both whole units (Dollars) and decimal values (Cents).

Mechanism of Exchange

Lastly, any currency needs to be accepted as a way to transfer value from one party to another. For example, most business organizations today might transact in their national currency or in the US Dollar.

What makes Bitcoin real money?

Bitcoin satisfies all of the major properties and utilities necessary for it to operate as a currency, though the relative novelty of digital currencies when pitted against fiat currencies or precious metals poses some interesting challenges.

Bitcoin’s durability remains the subject of proof; the cryptocurrency has managed to survive for ten years since its debut in Satoshi Nakamoto’s white paper and the mining of the genesis block and has, at the time of writing, managed to outlive countless speculations that argued that it would be short lived or a ‘bubble.’

However, gold still sets the standard of durability throughout human history and remains the most recognised form of a universally applicable currency. Similarly, the US Dollar as solidified in the past one hundred years to arguably become the most recognized fiat currency.

Fundamentally, Bitcoin is transportable in the sense that it can be easily sent from one place to another over the internet with far greater ease than either gold, fiat currencies, or even paper money.

Bitcoin is only limited by access to the internet, which – while many nations and territories around the world may be precluded from at present – represents the first time humankind has been able to establish a payments network that is not intrinsically rooted in the control of one nation or pits national currencies against one another.

Gold and paper money are restrictive in the sense that it can be immensely difficult to transport materials around the world, while digital fiat currencies are often locked in complex agreements between banks and governments that see long transaction times or hefty transaction fees when transitioning from one form of currency to another.

Bitcoin is similarly designed to fungible, as any bitcoin can be exchanged for another as with US dollars. There is nothing special about either one bitcoin or a specific dollar note.

However, this property is under threat given the emergence of sophisticated analysis software that can trace the history of any specific bitcoin on the blockchain. In theory, this makes it possible for people to refuse the accept a coin that may have been used for illegal activities in the past.

There are a number of projects that aim to fix these concerns by increasing the privacy of bitcoin transactions. If transactions are private, it is not possible to trace the history of a specific coin – which, in turn, solves concerns around fungibility.

Bitcoin can be divided down to infinite values – with the lowest value (0.00000001) called a Satoshi – and offers greater divisibility than either gold or fiat currencies such as the dollar. Typically, gold is difficult to divide into smaller units thanks to the process of re-coining (creating smaller units) or smelting (combining smaller units into larger units) which is labour intensive. Similarly, the US Dollar can only be divided into values of 100 cents.

Lastly, Bitcoin is inherently scarce thanks to the fact that there will only ever be 21 million Bitcoins in circulation – the price of gold is elastic in the sense that deeper gold mines become more profitable as the rarity and price of gold increases, while there is an estimated $10.5 trillion Dollars in circulation today.

Thanks to these properties, Bitcoin enjoys utility through the fact that it can operate as a form of ‘digital gold’ (or store of value) due to its scarcity, operate as a unit of account where Bitcoin, in BTC value, can be used to appraise goods, and lastly it can be easily used as a mechanism of exchange to easily facilitate transactions over the internet.

Who accepts Bitcoin?

Arguably, the greatest challenge Bitcoin has yet to overcome is establishing acceptability. While many merchants or service providers around the world might accept payment in their national currency or international currencies such as the Dollar, Bitcoin remains an emerging currency and, as yet, is not widely accepted as tender.

However, that hasn’t stopped many enterprising service providers or merchants from accepting Bitcoin as payment.

A popular story saw one hungry customer pay 1000 BTC for two pizzas in early 2011, and in the years since numerous services, merchants, and even payment gateways have accepted Bitcoin as tender. Notable adopters range all the way from Microsoft, Virgin Galactic, PayPal, and even Zynga.

As Bitcoin appreciates in value, we will likely see the digital currency adopted as tender more frequently in the months and years ahead.

In part seven of our Bitcoin Basics series, we'll be unpacking how much a Bitcoin is worth, and how it accrues value.

PART SEVEN:
HOW MUCH IS A BITCOIN WORTH?

When Bitcoin was first created as a result of Satoshi Nakamoto's white paper and the mining of the genesis block, the cryptocurrency first sold for $1c USD per 1 BTC. Today, Bitcoin's value has surged to over $11K USD, and that value continuously rises as new investors enter the market.

Bitcoin's price has made momentous gains over the past two years, which has driven intense media speculation and hype that has done much to create an air of mystery and suspense around digital currencies.

Where does the value come from?

Bitcoin's recent price surges might create the impression that cryptocurrencies are a vacuum where new money is seemingly "created" out of thin air, and investors can "get rich quick" by investing minimal sums into Bitcoin and see large returns.

However, that isn't necessarily the case. Bitcoin's value is determined by the investment and use of its community and is officiated by the distribution of new Bitcoins into the market through the process of mining.

As we explored in Is Bitcoin Money?, value is chiefly created by the ability of any currency to act as a store of value, means of exchange, and unit of account. In other words, if people around the world simply stopped using the US Dollar tomorrow and deemed it worthless, we would see the value of that currency plummet because no party would want to own, trade with, nor issue it.

Bitcoin saw its first major surge in 2011, where the cryptocurrency reached the value of approximately $1 USD to 1 BTC; at this time, media coverage of Bitcoin's gains attracted new users which accordingly saw the price rise to as much as $30 USD per 1 BTC before a massive crash that saw the value plummet all the way back down to some $2 USD.

Bitcoin has (arguably) seen three major price surges. Typically, new investors purchase Bitcoin (enabling the cryptocurrency to gain value in USD terms as it gains prominence) with a planned exit strategy.

For example, an investor might have purchased Bitcoin when the cryptocurrency trad-

ed for $1 USD, with the intent of selling when it reached $30 USD per coin. The investor, upon exiting, would have ideally made a 30x return on their initial investment.

As this process has unfolded in the past, media around the world have tuned in to explore Bitcoin's peaks and valleys – the cryptocurrency's novelty, interesting technological foundation, and the willingness of investors to purchase the cryptocurrency has in the past created what can be called a publicity-price loop. This means that as Bitcoin becomes more 'public' (or more accepted) we can expect to see the value of the cryptocurrency increase over time.

Bitcoin's value will ultimately be determined by its use. Since 2009, Bitcoin has seemingly established itself as a form of 'digital gold' where investors can purchase shares (Bitcoins) and expect to sell them later for profit once their respective value has risen.

As a peer-to-peer currency network, however, Bitcoin could stand to benefit most when used as a conventional currency to purchase either goods or services. In recent years, we've seen major companies such as Microsoft and PayPal adopt Bitcoin as tender – meaning that as the cryptocurrency becomes an accepted means of exchange, we may see it accumulate far greater values or 'worth'.

What will the future value of bitcoin be?

Investors and pundits around the world have pondered the question of what Bitcoin's eventual value will be. Simply put, there may be no reliable value we can pinpoint.

Bitcoin's nature as a peer-to-peer currency network that has its foundation in cryptography traditionally classes it as a speculative investment. Fundamentally, it will likely be up to investors, governments, and institutions around the world to determine the ultimate value of Bitcoin by signalling their intent to purchase or make use of the currency.

Bitcoin has enormous potential to serve as a decentralized global network through which parties can transact and settle payments in an average of less than fifteen minutes. The fact that Bitcoin foregoes the influence of governments or central banks means that it is not necessarily subject to the same political or environmental pressures that might determine the value of fiat currencies or precious metals such as gold.

Rather, Bitcoin's value is essentially determined by consensus – the agreement of parties around the world to adopt it as a store of value and means of exchange will ultimately define what value each bitcoin possesses.

Many people around the world have their own perspective. Billionaire investors, such as John McAffee, have publicly expressed their belief that one bitcoin will be worth a million US dollars before the close of 2020. Others, such as Warren Buffet, have claimed that Bitcoin is merely a bubble and won't be worth substantial amounts in the near future.

In-between this, individual investors will also create their own exit strategies wherein they are prepared to leave the market and 'bank' any profit made on their investments.

These aspects, together, coupled with continuous publicity over time, will ultimately determine the future value of bitcoin as people around the world either adopt the cryptocurrency as a new standard, or forego it entirely in favor of another cryptocurrency, established fiat currencies or precious metals.

Hypothetically, we may see scenarios in future where Bitcoin's value dissipates and its worth is forgotten, where the cryptocurrency becomes a 'fringe' currency used in tandem with other fiat currencies, or where parties around the world adopt Bitcoin as a new global payment standard.

Presently, the biggest determining factors of Bitcoin's worth in the near future will be the willingness of parties to accept the cryptocurrency as tender, and the willingness of institutions, central banks, and governments to either invest in it or accept the use of it.

PART EIGHT:
HOW CAN I BUY AND SELL BITCOIN?

Given Bitcoin's recent emergence and the fact that it is backed by technology (mathematical proof) and not any other asset, many interested investors find the process of obtaining or selling Bitcoin difficult or complicated.

However, this needn't be the case. Similarly to other fiat currencies, one can receive Bitcoin as payment for services rendered or goods provided, receive it as a gift, or endeavour to purchase it on an exchange or custodial service of one's choice.

Before purchasing Bitcoin (or any other digital currency) you should familiarise yourself with tax laws and other regulations in your country. As we explored in Is Bitcoin legal?, nations around the world have expressed differing stances on cryptocurrencies, with some signaling their support while others have threatened to regulate, or worse, outright ban trades in digital currency. As such, your decision to buy Bitcoin may or may not involve taxes, stipulations, or other applicable legislation and you should take care before making any decision.

Where to buy and sell Bitcoin

There are many ways to purchase or sell one's bitcoin. Though these may differ from territory to territory, one can obtain digital currency fairly easily by exchanging fiat currency (for example, the US Dollar) for Bitcoins at online exchanges or certain ATMs, or by accepting it as peer-to-peer currency.

Exchanges

Most investors opt to purchase bitcoin on an exchange or custodial service where they can exchange fiat currency for bitcoin. This typically involves a conversion that may include a transaction fee payable to the exchange.

There are many online exchanges available in different regions around the world that accept a host of different currencies. Typically, online exchanges are regulated by governments and have to adhere to two sets of important requirements called "anti-money laundering" (which prevents the products of criminal activity from appearing as legitimate money) and "know your customer" (which ensures that traders have to register their identities on services as proof of involvement).

Thus, most exchanges require traders to link their personal bank account (where fiat currency can be sent from or received) as well as lodge documents that verify their identity before they can trade.

Exchanges around the world differ in terms of verification required prior to trading, transaction fees, trading limits, and fiat currencies accepted.

Peer-to-peer

Should you rather not wish to proceed through an online exchange, you can always accept Bitcoin through what is called a 'peer-to-peer' transaction. This involves a buyer providing a seller with fiat currency or other goods, after which the seller sends an allotted amount of bitcoin to the buyer in question.

It is important to note that as Bitcoin is not reliant on a central bank or authority to operate, transactions exclusively occur between one party and another. These take around fifteen minutes to authenticate, and are not natively refundable. Should you wish to request a refund, you are relying on the goodwill of another party to oblige your request.

Peer-to-peer transactions can take place in a number of different ways. The most conventional method is for a recipient to provide the Public Key of their Bitcoin wallet or keychain, where a sender then directs an allocation of bitcoin to that address. After a usual fifteen minute wait, the transaction will have been "confirmed" and the transfer will reflect in the wallets of both parties and on the Blockchain.

Other peer-to-peer parties and platforms do exist. As the process of transferring Bitcoin involves trust, cryptocurrency meetups have been known to happen wherein transacting parties meet face-to-face to conduct the transfer either in person or as part of a group.

Some services have further emerged to facilitate this transaction, and help secure trust by placing funds in escrow until the transaction has concluded in full.

The price of purchasing bitcoin through these means can vary. Some sellers may request a fee for privacy or convenience above and beyond the prices listed on exchanges, or the conversion may be decided on prior to or during a meeting.

ATMs

A relatively new way of purchasing bitcoin is by way of an ATM, which may already be present in your home city.

Bitcoin ATM machines typically charge a ‘commission’ fee from three to eight percent above and beyond a traditional exchange price. While that might be an expensive, bitcoin ATMs usually provide the most private way to settle a purchase.

To use a bitcoin ATM, users typically insert either cash or a debit/credit card into the system and scan a QR code found within a mobile wallet on their smartphone of choice. The ATM then prints a paper receipt containing codes and instructions that direct a user to transfer their newly purchased bitcoin to their mobile wallet.

How does Bitcoin trading work?

Bitcoin trading usually takes place through an exchange, which is a platform where traders can set ‘orders’ to purchase or sell bitcoin at certain prices.

Exchanges typically list a ‘high’ and ‘low’ amount for bitcoin or other cryptocurrencies; this reflects either the lowest or highest value that one whole bitcoin has sold for in a twenty-four hour period.

On an exchange, traders willing to transact signal their intent to ‘buy’ or ‘sell’. Respectively, this enables a trader to either signal how many bitcoins they are willing to buy or sell, and for what amount in fiat currency.

Two types of orders exist; namely, limit orders and market orders.

Limit orders allow traders to set their own price for bitcoin regardless of whether it is higher or lower than the accepted market value. Interested seller can meet these orders as they see fit, and their willingness to do so is entirely at their own discretion.

Market orders provide traders with a means to quickly purchase an allocation of bitcoins that best matching order available on the exchange – meaning that users effectively purchase bitcoins at the present price on an exchange.

When a trader confirms either of these orders, the transaction is scheduled to occur and one it has been mined (which usually takes fifteen minutes or more, depending on the number of unverified transactions on the Blockchain) the allocated bitcoin is transferred from one party to another.

Purchased bitcoin remains on the exchange until traders elect to dispatch the funds to a bitcoin wallet or keychain of their choice.

It is important to note that the security of exchanges varies – and, as such, they represent an enticing target for hackers looking to steal cryptocurrencies. A wise policy is to use a strong password and to secure one’s account with two-factor authentication.

PART NINE:
HOW CAN I STORE BITCOIN?

Similarly to holding large amounts of paper money, holding bitcoin involves taking several precautions to secure one's wealth. While some traders – who spend their days trading between Bitcoin and other cryptocurrencies – might leave their bitcoins on an exchange, the most secure way to hold bitcoin in the long term is to make use of a wallet.

As we've covered previously, the term 'wallet' isn't an entirely accurate description – some favour the term 'keychain' – and it's actually further incorrect to state that a wallet 'stores' bitcoins; a wallet houses a user's public and private keys which are used to access a public Bitcoin address and sign transactions, respectively.

Bitcoin wallets are available in a variety of formats, and each offers unique features over the others. Your needs may vary, and it is important to take into account both one's trading or investment habits as well as their security needs before committing to one specific kind of wallet for the long term.

Desktop wallets

Desktop wallets are software programs that can run on desktop and laptop computers that run popular operating systems such as Microsoft Windows, Apple's macOS, and even Linux. The appeal of desktop wallets places access to one's bitcoin address directly on the same computer that one might trade from, though these typically aren't as portable or usable in the wild as mobile wallets are.

The de facto Bitcoin client, called Bitcoin Core, is run by many computers around the world. These form 'nodes' on the network that handle the important task of relaying transactions – however, this software also enables users to create a Bitcoin address to send and recieve bitcoins, as well as store their private key.

Desktop wallets such as Bitcoin Core can be excessively large to download and maintain, and furthermore requires that users continuously update the program to stay in lockstep with the Blockchain as new transactions are verified and added.

However, not all desktop wallets necessarily act as nodes. Some opt to simply serve as a software wallet that can house both keys and are developed by third parties. These are usually far less cumbersome to download and maintain, and may are available with particular features or focusses that investors might find appealing.

Mobile wallets

Like their desktop counterparts, mobile wallets are software programs (apps) which one can install on their smartphone. Typically, these are available on Apple's iOS (iPhones), Android phones, and some are even available for Microsoft's lesser-used Windows Phone.

Where desktop wallets are relatively mobile and inherently aren't pocketable, mobile wallets provide investors and traders with the convenience of being able to take their wallet with them on-the-go. This further allows users of certain mobile wallets to make convenient and quick payments not only with bitcoin, but with other cryptocurrencies as well.

The trade-off for this requirement is the fact that as smartphones don't feature the processing power or memory of most computers, mobile wallets do not download the entire bitcoin blockchain – instead relying on a small 'portion' of the blockchain and thus relay most transactions through what are called 'trusted' nodes.

This essentially outsources some of the computing power and memory needed to use a bitcoin wallet to other computers linked on the Bitcoin Blockchain.

While a mobile wallet houses both a user's public and private key as a desktop would, most mobile wallets take advantage of either QR-code scanning or Near Field Communications (NFC).

In the case of the former, mobile wallets can scan a QR code by using their smartphone's camera. The mobile wallet in question can then interpret the code as another bitcoin wallet address, which users can send bitcoins to.

In other cases, smartphones equipped with an NFC chip (like some of Apple's recent iPhones, or Samsung's Galaxy S phones, for example) which users can leverage to facilitate transactions. This enables users to tap one's phone against a reader and send bitcoins without having to enter any details at all. This is similar in process to using popular services such as Apple Pay, Samsung Pay, or Android Pay.

Hardware wallets

While one can consider either desktop computers or mobile phones as 'hardware', there are several electronic products available specifically designed to house one's public and private key. These are commonly referred to as 'hardware wallets', and are

sometimes used to facilitate payments as well.

Hardware wallets can closely resemble USB drives, though this can differ from brand to brand.

Hardware wallets typically function with an 'online' and 'offline' component. This sees an investor make use of an online wallet that holds their public address and signals which transactions will be 'signed'. To complete a transaction, users will need to connect their hardware wallet by USB into a computer, where a signature is then formed, sent to the wallet, and then fed into the Bitcoin Blockchain.

Specifically, some hardware wallets offer users the security of housing a user's private key in a 'protected area' on the device in question- which means that this private key cannot be divorced or used without the device.

Some hardware wallets offer a backup service, wherein if they fail, become lost, or are damaged a user can use a special key to restore their private keys, bitcoin balance and transaction histories into a new device. These backups are usually secure by a PIN that either is linked to the device or can be set by a user.

The attraction for many users is that hardware wallets do not fall prey to viruses that may target software wallets from time to time. However, these devices are not immune to corruption, theft, or damage.

Paper wallets

One of the most inexpensive ways of securing one's bitcoin is to use what is reffered to as a 'paper wallet'.

A paper wallet essentially sees a user print out a paper copy of two QR codes; one is the public address where one receives bitcoins, and the other is the private key which one uses to sign on outgoing transactions. To use a paper wallet, a user either scans either QR code themselves, or invites a transacting party to do so.

Paper wallets mitigate some of the risk of storing one's private key on the internet, where an investor would have to trust the establishment where their key is stored. Thus, paper wallets do not fall prey to cyber attacks or other malicious actions where parties might attempt to steal bitcoins online.

However, paper wallets carry their own set of weaknesses. Similarly to hardware wallets, paper wallets can be stolen or damaged, and paper itself degrades over time – meaning that users should take caution when storing their paper wallet and should

ideally never use the same one for long periods of time.

Are Bitcoin wallets safe?

Fundamentally, each type of Bitcoin wallet carries its own strengths and weaknesses, and it is up to each user to adequately secure their accounts and select whichever option is most convenient or affordable to them.

While online or software (desktop or mobile) wallets carry convenience and easy access to the internet where one can transact quickly, they come at the expense of security and are a prime target for internet hackers seeking to steal bitcoin or other cryptocurrencies over the web.

Conversely, physical storage such as hardware or paper wallets can easily be stolen, can become damaged, or can degrade over time.

A successful rule of thumb is to consider using several different kinds of wallets, and ensuring that one's allocation of bitcoins does not exist solely on one wallet.

There are further steps that one can take to secure their account, as well. Users making use of online wallet services can use two-factor authentication, which means that beyond signing in with a username and suitably complex password, they can input a special code from a device of their choice that will serve as a 'second layer' of security when signing in.

PART TEN:
WHY SHOULD I INVEST IN BITCOIN?

Bitcoin represents an exciting step for the future of currency.

Up until this point, peer-to-peer transactions have traditionally seen parties exchange goods, precious materials, or fiat currency that is regulated and controlled by a central bank and is subject to peaks and valleys in value that are determined by geographic and political concerns.

For the first time, bitcoin offers a concrete method for transacting parties around the world to exchange value without the interference of a regulator without sizeable delay.

Bitcoin is appealing not only for the fact that it represents an enticing means to pay others for goods or services rendered, but also for the fact that it represents an area of intense interest and focus for investors.

Bitcoin's continual price gains have been fuelled by worldwide interest in the crypto-currency, and though one's losses can easily outstrip one's gains, investing in bitcoin further represents a promising investment vehicle through which one can not only be part of the future of currency, but further accrue wealth while doing so.

Fundamentally, bitcoin represents a break in a global paradigm that has existed for years – and it is one that has excited investors, pundits, and onlookers alike. While the future remains in flux – as bubble concerns, international regulations, and new laws mount – bitcoin remains an intensely exciting new development that could well change the world as we know it.

At CoinInsider, we'll be covering the growth of cryptocurrencies and their acceptance around the world though covering not only breaking news, but further through incisive editorial pieces exploring cryptocurrency markets, their adoption, the regulation they may face, the technology behind them, and price peaks and valleys along the way.

If you're as captivated by the emergence of this new technology and how it could change the world, we invite you to join us as we capture the first-draft of this defining moment in history.

WHAT IS
COIN INSIDER?

CoinInsider is the authority on blockchain news; providing breaking news bulletins, incisive opinion, market analysis, and regulatory up-dates.

CoinInsider's vision is to build the premier digital media platform fo-cused on high-quality cryptocurrency news, analysis, and advice.

Our view is to provide unbiased honest commentary on the state of the crypto market, to teach our audience the basics of crypto invest-ing by simplifying complex topics without dumbing them down, and to deliver in-depth research and thought leadership.

Our news articles deliver up-to-date information on breaking develop-ments in the wider cryptocurrency ecosystem – tracking not just price news, but regulatory updates, adoption and use cases, and blockchain breakthroughs.

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