

Beginner's Guide: Introduction In Cryptocurrencies

The first cryptocurrency which comes into the existence was Bitcoin which was built on Blockchain technology and probably it was launched in 2009 by a mysterious person Satoshi Nakamoto. At the time writing this blog, 17 million bitcoin had been mined and it is believed that total 21 million bitcoin could be mined. The other most popular cryptocurrencies are Ethereum, Litecoin, Ripple, Golem, Civic and hard forks of Bitcoin like Bitcoin Cash and Bitcoin Gold.

It is advised to users to not put all money in one cryptocurrency and try to avoid investing at the peak of cryptocurrency bubble. It has been observed that price has been suddenly dropped down when it is on the peak of the crypto bubble. Since the cryptocurrency is a volatile market so users must invest the amount which they can afford to lose as there is no control of any government on cryptocurrency as it is a decentralized cryptocurrency.

Steve Wozniak, Co-founder of Apple predicted that Bitcoin is a real gold and it will dominate all the currencies like USD, EUR, INR, and ASD in future and become global currency in coming years.

Why and Why Not Invest in Cryptocurrencies?

Bitcoin was the first cryptocurrency which came into existence and thereafter around 1600+ cryptocurrencies has been launched with some unique feature for each coin.

Some of the reasons which I have experienced and would like to share, cryptocurrencies have been created on the decentralized platform - so users don't require a third party to transfer cryptocurrency from one destination to another one, unlike fiat currency where a user need a platform like Bank to transfer money from one account to another. Cryptocurrency built on a very safe blockchain technology and almost nil chance to hack and steal your cryptocurrencies until you don't share your some critical information.

You should always avoid buying cryptocurrencies at the high point of cryptocurrency-bubble. Many of us buy the cryptocurrencies at the peak in the hope to make quick money and fall victim to the hype of bubble and lose their money. It is better for users to do a lot of research before investing the money. It is always good to put your money in multiple cryptocurrencies instead of one as it has been noticed that few cryptocurrencies grow more, some average if other cryptocurrencies go in the red zone.

Cryptocurrencies to Focus

In 2014, Bitcoin holds the 90% market and rest of the cryptocurrencies holds the remaining 10%. In 2017, Bitcoin is still dominating the crypto market but its share has sharply fallen from 90% to 38% and Altcoins like Litecoin, Ethereum, Ripple has grown rapidly and captured the most of the market.

Bitcoin is still dominating the cryptocurrency market but not the only cryptocurrency which you need to consider while investing in cryptocurrency. Some of the major cryptocurrencies you must consider:

Bitcoin

Litecoin

Ripple

Ethereum

Tron

Civic

Golem

Monero

Where and How to buy Cryptocurrencies?

While some years ago it was not easy to buy cryptocurrencies but now the users have many available platforms.

In 2015, India has two major bitcoin platforms Unocoin wallet and Zebpay wallet where users can buy and sell bitcoin only. The users have to buy bitcoin from wallet only but not from another person. There was a price difference in buying and selling rate and users has to pay some nominal fee for completing their transactions.

In 2017, Cryptocurrency industry grew tremendously and the price of Bitcoin grown spontaneously, especially in last six months of 2017 which forced users to look for alternatives of Bitcoin and crossed 14 lakhs in the Indian market.

As Unodax and Zebpay are the two major platforms in India who were dominating the market with 90% of market share - which was dealing in Bitcoin only. It gives the chance to other organization to grow with other altcoins and even forced Unocoin and others to add more currencies to their platform.

Unocoin, one of India's leading cryptocurrency and blockchain company launched an exclusive platform UnoDAX Exchange for their users to trade multiple cryptocurrencies apart from trading of Bitcoin in Unocoin. The difference between both platforms was - Unocoin was providing instant buy and sell of bitcoin only whereas on UnoDAX, users can place an order of any available cryptocurrency and if it matches with the recipient, the order will be executed.

Other major exchanges available to trade cryptocurrencies in India are Koinex, Coinsecure, Bitbns, WazirX.

Users have to open an account in any of the exchange with signing-up with email id and submitting the KYC details. Once their account gets verified, one can start trading of coins of their choice.

Users have to research well before investing in any coins and not fall into the trap of cryptocurrency-bubble. Users must research the exchange credibility, transparency, security features and many more.

All Exchanges charge some nominal fee on each transaction. There are two types of charges - Maker fee and Taker fee. Apart from the transaction fee, one has to pay the transfer fee, if you want to transfer your cryptocurrencies in other exchange or your private wallet. The charges solely depend on the coins and exchange as the different exchange has difference price module for transferring the coins.

Major Altcoins other than Bitcoin

As mentioned above, Bitcoin is dominating the market with a 38% market share followed by Ripple, Ethereum, Litecoin, Bitcoin Cash. Exchanges like UnoDAX, Bitfinex, Kraken, Bitstamp have listed many other coins like Golem, Civic, Raiden Network, Kyber Network, Basic Attention, OX, Augur, Monero, Tron and many more. If any of the coins match your portfolio then you must buy it.

But, you must put the money in the market which you can afford to lose as cryptocurrency market is very volatile and no government has control over it.

When to Buy?

There is no hard rule when to buy your favorite cryptocurrency. But one must research the market stability. You should not buy at the peak of a cryptocurrency bubble or when the price is crashing continuously. Always [Crypto-explorer.net](https://crypto-explorer.net) is considered when the price is stable relatively at a low level for some time.

Cryptocurrencies Storage Method

Before buying any cryptocurrency one must understand how to keep your cryptocurrency safe.

Generally, all the exchanges provide the storing facility where you can keep your coins safely. One must not share their user details, password, 2FA when you hold cryptocurrency on exchanges.

Paper Wallet, Hardware wallet, Software wallet are some of the channels where one can store their cryptocurrency.

Paper Wallet: Paper wallet is an offline cold storage method to keep your cryptocurrency. It prints your private and public key on a piece of a paper where QR code is also printed. One has to just scan the QR code for their future transactions. Why is it safe? No need to worry about the hack of your account or attack of any malicious malware. You just need to keep your piece of the paper safe in a locker and if possible keep two to three pieces of paper wallet all in your complete control.

Hardware Wallet: Hardware wallet is a physical device where you keep cryptocurrency safe. There are many forms of hardware wallet but commonly used hardware wallet is USB. When you keep your cryptocurrency in hardware wallet you just need to keep in that mind that you should not lose your hardware wallet as once it is lost you can not retrieve your cryptocurrency.

One famous incident, where a person as mined 7000+ bitcoin and stores in their hardware wallet and kept it with another hardware wallet. One day he threw the hardware wallet in which he stored his cryptocurrency instead of damaged hardware and he lost all his bitcoin.

What can buy from cryptocurrencies in India?

Most of the people assume that buying and selling of any cryptocurrencies are just for the investment and getting the high returns on a long and short-term. Influencers and bitcoin investors are believing that in coming years Bitcoin will dominate all the fiat currencies and will be accepted as International currency.

Dell is one of the largest e-commerce business accepting bitcoin as payment. Expedia and UNICEF are other examples.

In India, Sapna Book Mall was accepting bitcoin as payment using Unocoin merchant service. People were booking movie tickets through BookMyShow or recharging their mobile using Unocoin platform. As per the report, they have stopped the service but planning to start again in near future.

Conclusion:

Cryptocurrency is one of the growing investment sectors and it has given nice returns than real-estate, gold, stock-markets, etc in the past. You can buy the cryptocurrency and hold for long-term to get nice returns or go for the short-term for the quick profit as we have seen the growth of many coins in 1000%+ in past. Since the cryptocurrency is a volatile market and no control of government on the industry. One must invest the amount in any cryptocurrency which they can afford to lose.