A 5-Minute Guide To The Cryptocurrency Gold Rush

- SPECIAL REPORT -

By Brad Freeman

A 5-Minute Guide To The Cryptocurrency Gold Rush

It's exciting to read so many stories of people becoming fabulously wealthy overnight. We see it on the news every single day. There seems to be no end in sight for the popularity of bitcoins and other cryptocurrencies. It seems that a new batch of millionaires is created every single day. And it's not over yet.

Bitcoin prices have been on the rise the past few months, those who held steady and kept their bitcoins by their side, have been justly rewarded. Those who sold way too early are left shaking their head, counting their losses and thinking of what could have been, if only they held their bitcoins. Alas, hindsight is always 20/20, and it's easier for us to say after the fact that they shouldn't have sold their coins.

Because of the wide attention these successful cryptocurrency investors are getting, regular Joe's and Jane's are eager to get into the game as well. Everyone wants to see for themselves if they can also reap huge profits from trading or investing in cryptocurrencies. People who have never even heard of cryptocurrency and the blockchain are suddenly reading up on everything cryptocurrency-related they can get their hands on. They devour books, videos, articles, forums, etc. in the hopes of someday earning a tidy profit on their investment.

Due to this cryptocurrency 'gold rush,' many cryptocurrency exchange platforms are experiencing huge spikes in traffic. Approval of new accounts, which used to take a few hours, are now getting delayed to a few days or even weeks!

Impatient crypto-fledglings are upset with these delays because they simply must buy their crypto now. Their excitement is at fever pitch, and they simply must buy their crypto now. Not tomorrow, but right now.

Joining The Bandwagon

If you're thinking of joining the crypto bandwagon, you need to keep several things in mind. Cryptocurrency maybe all the hype now, but if you don't know what you’re getting into, then you could get into a lot of trouble later on. Investing in cryptocurrency, or any other potential income-generating asset, needs a lot of planning. Even if you have the cash to spare, you don't want to spend it all on something you don’t entirely understand.

A smart investor will always study the market, and while the hype is true that people are becoming paper millionaires overnight, it doesn’t mean that you should just throw all caution to the wind and hope for the best. That's not a very smart move, and you could end up costing yourself, and your family, a lot of grief.

Cryptocurrencies are extremely volatile

All cryptocurrencies are highly volatile, meaning the price can jump up and down in a matter of minutes. I'm sure everyone can handle huge positive jumps in the price – we'd all love that. But what about when the price dips? Can you handle the pressure?

Playing in a high-stakes game like cryptocurrency trading is not for everyone. If you've used your life savings, or money that's intended for your retirement, or your child’s college tuition, then you'd be literally kicking and hating yourself. You've worked hard for your money, and losing it in a matter of minutes can bring you physical pain like no other, especially if that money was intended for something else.

It's important to point out right now that there's no central body governing cryptocurrencies and prices can vary from one trading platform to the next. This means no FDIC (Federal Deposit Insurance Corporation) or equivalent government organization will step in if you lose your crypto-coins. There might be in the future; we don't really know. There has been plenty of speculation that with the increasing popularity of cryptocurrencies, the government may soon be stepping in to regulate things. But for now, you're solely responsible for keeping your virtual money safe.

Keeping your cryptocurrency safe

Whatever cryptocurrency you choose to invest in, you can't just leave it anywhere. It is of utmost importance that you educate yourself on the best ways of keeping your digital treasure trove safe. Hackers and thieves are always looking for their next victim; you certainly don't want to be in their line of vision. In fact, it's probably safer to just stay unassuming and keep your investment a secret. Well, perhaps you can let your closest family and friends in on the secret just in case something happens to you.

The easiest way for you to lose your coins is if you just keep them on an unsecured and unsafe digital wallet. This includes leaving your crypto on your exchange wallets. There have been many instances of trading platforms getting hacked. The most famous example is the Japan-based Mt Gox bitcoin exchange which was hacked in 2014.

At the time, Mt Gox was the world's leading bitcoin exchange. Approximately 850,000 bitcoins were declared missing, and these totaled almost $450 million in 2014 dollars which, quite obviously, was already a significant amount. In today's dollars, 850,000 bitcoins would be worth billions. Many people lost their fortunes in an instant, simply because they trusted the platform and didn’t move their bitcoins to more secure storage. After the Mt Gox fiasco, bitcoin owners started being more careful with their cryptocurrencies, and paper wallets, and hardware wallets rose in popularity.

In terms of convenience, digital wallets are far more superior to paper or hardware wallets. All you need is an Internet connection, and you’d have access to your crypto. You could log in to any web browser or your mobile wallet, and you can easily make purchases anytime you want. While storing small amounts of crypto in online wallets is perfectly fine, it's best if you move the bulk of your crypto-wealth to offline storage.

Yes, offline or cold storage is less convenient, but it's definitely safer for you and your cryptocurrencies. This is why hardware wallets are selling like hotcakes right now. It's the best of both worlds basically. You're storing your crypto offline, but if you need to make a transaction, say, you want to transfer a few coins to your online wallet, you can do so quickly just by plugging it into your computer. Hardware wallets are very secure, and so far, we haven't read any reports of hardware wallets getting hacked. You do need to shell out some cash though, but when you consider what you’re electronically protecting, you can easily look beyond the price.

Acquiring Bitcoins And Other Cryptocurrencies

Now that you know the basics of cryptocurrency and how to keep it safe, it's time to actually get your hands on those virtual coins. There are quite a few methods to acquire them - some are easy, while some are relatively hard. After reading through this section, you'd have to decide which method is best for you.

Probably the easiest way to get yourself some bitcoins and other cryptocurrencies is by getting paid with them. If you offer a product or service, or if you own a business, consider accepting crypto payments. Of course, Bitcoin is the most popular cryptocurrency right now so you should start with accepting bitcoin payments. All you need to get started is just sign up for a free wallet at a reputable site like Coinbase. You'd then have your bitcoin address which you can direct your clients or customers to use so they can pay you.

You don't even have to be concerned with Bitcoin's volatility. You can protect yourself by signing up for a service like BitPay which automatically converts bitcoin payments to dollars or whatever your local currency is. This means if you're expecting to get paid $100, then you're going to get exactly that amount.

Another method is by simply buying or exchanging your fiat money for cryptocurrency. There are many reputable exchange platforms such as Coinbase, Kraken, Gemini, LocalBitcoins, and more. Just be careful though as many fake platforms are popping up on the web with their juicy offers of hugely discounted crypto prices that are significantly lower than the rates on established platforms. If the prices sound too good to be true, do a quick search on Google and read reviews of that website to find out if you can trust them with your money.

There are also 'faucet' sites which give away free Satoshis (1 Satoshi is equal to 0.00000001 bitcoin) in exchange for you doing small tasks on their site. But we don't really recommend this method as we believe your time is better spent on more productive activities. It's a good way though to get your feet wet with bitcoins and be the proud owner of a few Satoshis.

The most difficult method of acquiring bitcoins would have to be mining them yourselves. You see, miners are the lifeblood of the Bitcoin network. They're the ones who validate all bitcoin transactions and add them to blocks which then gets added to the blockchain. Every time they find a new block, they get rewarded 12.5 bitcoins. Sounds easy, right? On paper, yes. But in reality, it's a lot of hard work. The hardware you'd need to purchase alone will cost you a lot of money, not to mention the electricity costs.

These days, miners don't mine alone. They join mining groups or mining pools. As a group, they can pool resources to solve the complex hash functions much faster than if they worked alone. Doing this means they’d have to divide the 12.5 bitcoins among themselves. But at least, they get bitcoins, right? If you think this is what you want to do, then you'd have to do plenty of research to build a proper mining rig.

Should You Trade Or Invest In Cryptocurrencies?

At this point, you already know a lot of things about bitcoins and cryptocurrencies, how to acquire them and how to keep them safe. The million-dollar question is should you trade or invest in them? Before we proceed any further, we'd like to point out that trading and investing are two different ways of making a profit.

Trading is generally a short-term practice which means you capitalize on the volatility of cryptocurrency prices by buying at low prices and selling when the price is high enough. You might make more money this way especially if you time the market just right. However, at the same time, you could also suffer some heavy losses if you're not careful.

Investing, on the other hand, is a long-term activity. You buy your favorite cryptocurrency either at a lump sum or at regular intervals to spread the risk. You don't bother reading the daily, weekly or even monthly charts. It's just going to make your head spin. Rather, you look at the annual or bi-annual charts and check if the general trend is going up or down. Generally, however, investing means holding on to your assets for many years, at least 10-15 years, financial experts say.

Whether you decide to trade or invest in cryptocurrencies, you need to have a solid plan in place. Planning ahead is always useful especially since you're dealing with something very valuable. You need to have a timeline in place, and you need to know the specifics of how you're going to achieve your cryptocurrency goals.

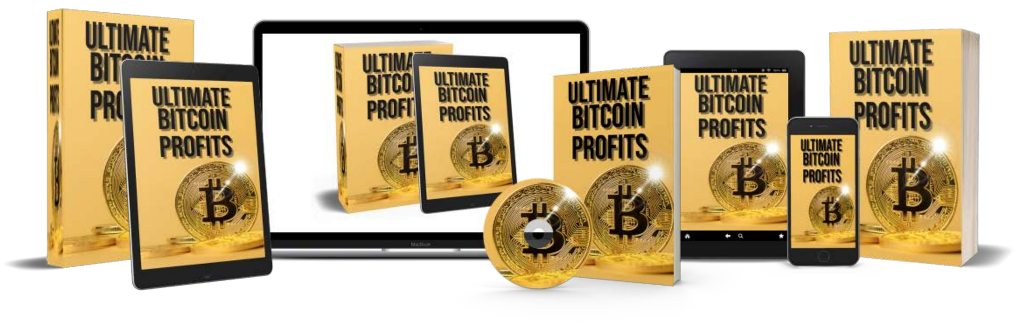
The cryptocurrency gold rush is bringing out both the good and bad in people. It's good because the creation of new wealth encourages spending, lots of it in fact, which helps the economy. It's bad because a new breed of thieves, scammers, and hackers are cropping up everywhere with the sole intention of defrauding people of both their digital and fiat currencies.

Final Words

We hope this short 5-minute guide has given you a lot of ideas on how to take advantage of the cryptocurrency gold rush. Remember to study the cryptocurrency market before you do anything. As the saying goes, knowledge is power. Knowing how cryptocurrency works will help you succeed in this relatively new and exciting world.

TOP RECOMMENDED PROGRAM:

Get Your Complete 10-Part Step-By-Step Ultimate Bitcoin Profits Course!



Find Out The Exact Steps And Techniques!

https://worldwidetweets.com/ultimate-bitcoin-profits/