



A CREATIVE ALTERNATE DIGITAL CURRENCY

A Bitcoin is a volatile thing. It confuses everyone. If you still don't fully get it, you are far from alone. A bitcoin is like any other currency just like the US dollar or an Indian rupee.

But where exactly did it come from and why is it suddenly in the news so often? Is bitcoin really the future of money? If so, what can you buy with it right now?



THE STORY OF CHARLIE SHREM

Charlie Shrem, an American entrepreneur saw value in bitcoins when they were worth only a few dollars each – and now trade above \$2600 – and there was hardly anything worth appending on them. Thus, in 2011 he cofounded a start-up named **BitInstant** which became one of the biggest and earliest cryptocurrency companies. But Shrem crashed as fast as he rose. He went to the federal prison in March 2015 after pleading guilty for helping customers to acquire and resell Bitcoins in a place where these were used to buy drugs.

Today, he is a free bird again, but his world has changed because as of today it has given rise to hundreds of new digital assets.

Before the takedown of the SILK ROAD controversy, people reportedly used bitcoins for various illegal goods, including weed, forged documents, stolen guns, etc.



Concept of bitcoins was first suggested in 2008 by **Satoshi Nakamoto** and became fully operational in January 2009

A forecast by Snapchat's investor, Jeremy Liew says that if we go by the latest boom, bitcoins will hit **\$500,000** by 2030 and it will be more enticing to nab even a fraction of a bitcoin

The ones who use bitcoins predict that **94%** of all the bitcoins will be released by 2024



People using bitcoins can purchase innumerable legal things with these cryptocurrencies. In the countries where these are accepted, people buy things like vegetables, groceries, clothes etc., just like they would use their printed currencies. The only difference is bitcoins are entirely digital, which means nobody actually carries bitcoins as currency in their pockets or

Bitcoins are separate from government and central banks and is organized through a different network known as a blockchain. Every time a bitcoin is bought or sold, the swapping gets registered in ledger. Multi swaps make up a block. According to Sunny Ray, Co-founder and president of the leading bitcoin blockchain company of India – UNOCOIN, blockchain enables two entities that do not know each other to agree that something is true without the need of a third party. As these are decentralized no one controls these. The thing that makes Bitcoins unique is that this system is completely transparent. Transparent not w.r.t. the personal data but with transaction and amounts transacted. Anyone can see anything on the block chain. It is this trust and transparency that instils a lot of security and trust among the community of bitcoin.

Markets Update: Bitcoin bulls Are Back with Vigorous Energy.



Bitcoins is digitally stored in a 'wallet'. This wallet is like a physical wallet, but more secure. If someone loses it, it's lost forever. As these bitcoins have unique keys to them and so if the bitcoins are lost with the wallet, then they are essentially removed from circulation forever. But also, it is impossible for people to take your money from your wallet without you giving it to them. Also, one can send money with little to no fees. For example, if someone wants to send money to UK from India, he/she would likely have to pay currency conversion fees, bank transfer fees, etc. and on the other hand the receiver has to wait for a couple of days before he could actually receive the money. But with Bitcoins, there is no transaction fees and money is also available at the other end instantly.

There are only a finite number of bitcoins and that is 21 million. Mr. Satoshi Nakamoto assumed that people will only discover or 'mine' a set of blocks of transactions on a daily basis. He says that after every four years, the reward to miners for discovering new blocks gets half. Result of which will be that the number in circulation will approach 21 million but actually will never hit it, which in a sense means that Bitcoins will never experience inflation.

Another feature of the bitcoins is that the transactions cannot be reversed, i.e., if you send a company some bitcoins for a product, you cannot revoke that transaction nor the company can repeat bill you and force money to be taken out.