

# METEOR

Reaching the unreachable...

SMT. K.G SHAH DEPARTMENT OF MANAGEMENT STUDIES

## CRYPTOCURRENCY

~ Money maker or Money breaker..??

### Principal's Desk



The whole purpose of education is to turn mirrors into windows."

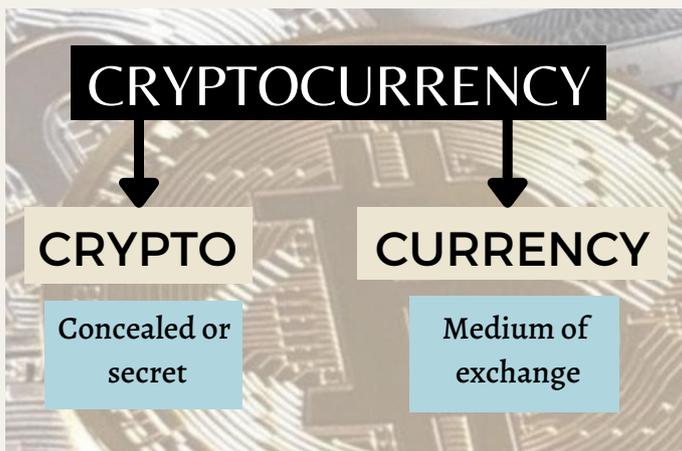
I strongly believe that education is the foundation for a better future, a key to success and a path to innovation. It is undoubtedly the most important weapon which can be used to change the world. It is my proud privilege as a principal of this college to be a part of the BMS department. This newsletter released by the department is a brilliant tool to expel knowledge and also an apt platform to our students who take efforts to create this newsletter by acquiring knowledge and using their creativity. As rightly said, "Investing is most intelligent when it is most business-like." Hence, the topic of the volume 9th of newsletter is "**Cryptocurrency - Money maker or breaker?**"

As a rule of Investing - All intelligent investing is value investing i.e, acquiring more than you are paying for. You must value the business in order to value the stock. Hence this volume of Meteor will highlight upon the various aspects of cryptocurrency as a tool for investing. I take this opportunity to congratulate the entire BMS department for this.

So, here's wishing the department All the best and enjoy reading!

PRINCIPAL

Dr. (Mrs.) Leena Raje



### What exactly is cryptocurrency?

A cryptocurrency is a digital or virtual currency that is secured by cryptography. The name originates from the fact that all of its transactions are highly encrypted, making the exchanges highly secured. It is decentralized in nature.

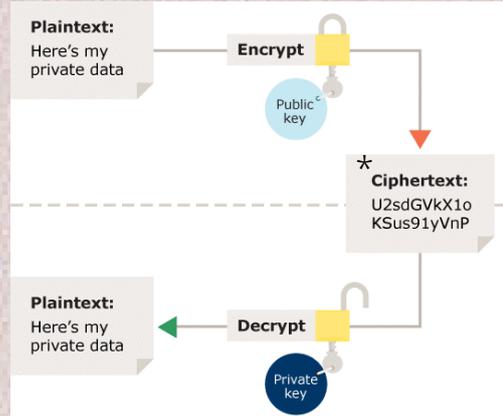


# HOW DOES CRYPTOCURRENCY WORK ???

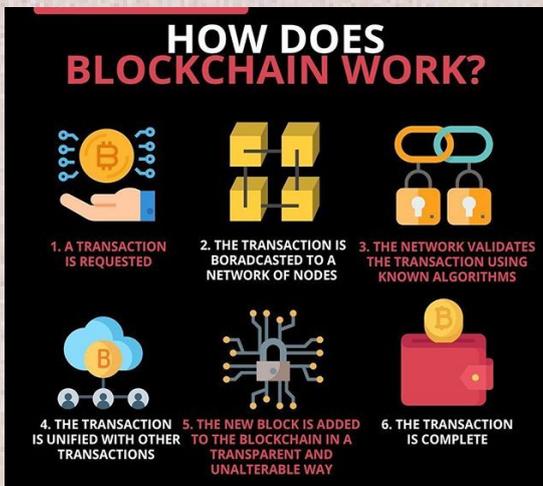


## 1.] CRYPTOGRAPHY :

Cryptography is a technique of securing information and communications through use of codes so that only those for whom the information is intended can understand it and process it. Thus preventing unauthorized access to information. The word “crypt” means “hidden” and graphy means “writing”.



**IMPORTANT VOCABULARY**  
 \*Ciphertext: result of encryption performed on plaintext using an algorithm, called a cipher. Decryption, the inverse of encryption, is the process of turning ciphertext into readable plaintext.



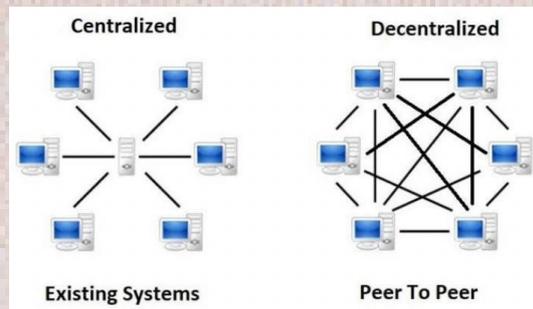
## 2.] BLOCKCHAIN :

Cryptocurrencies operate in a completely decentralized system that uses the "Blockchain Technology" to track transactions. Blockchain is a continuous sequential chain of blocks containing information built according to certain rules. Blockchain is a digital log that can be programmed to record not only financial transactions as cryptocurrency, but almost anything that has value.



## 3.] PEER TO PEER NETWORK :

A peer-to-peer transaction involves the two trading parties having data related to each other at all times, rather than interacting with several different peers.



## 4.] MINING & MINERS :

During the cryptocurrency mining process, volunteer coders called cryptominers compete with each other to solve complicated mathematical problems using high-performance computers.

The first miner to crack each code is rewarded by being able to authorize the transaction, and in return for the service provided, cryptominers earn small amounts of cryptocurrency of their own. Once the cryptominer successfully completes the mathematical problem and verifies the transaction information, they add the data to the public blockchain ledger.

**Fun Fact:**  
 Crypto mining requires huge amounts of energy to mine. its estimated that 0.21% of the worlds electricity goes to powering bitcoin farms.

# HOW TO INVEST IN CRYPTO ??

1. Go to their website, check what are they doing at present, what are they willing to do
2. Wazir X, Uno Coin, Coin DCX, Coin Switch, Kuber are a few popular platforms to trade/exchange crypto currency.
3. Check the team- founders, investors, partners how well known are they in crypto.
4. Check the market capitalization of cyrptocurrency (the more money invested i.e, large market capitalization less volatile the cryptocurrency is)
5. Read the white paper (information) from the website for more clarity and get a better understanding of it.
6. If the supply of crypto is more the system starts to burn the coins here, cryptocurrency token is intentionally sent to an unusable wallet address to remove it from circulation to regulate the supply and control its price.
7. Check the latest updates/ events on news apps, to get any information on the hype or fall in the prices.
8. Check what is the use case of that crypto, what problem is it trying to solve, what is its aim, etc.

## A Pro Tip- When to trade in Crypto:

1. Trade when the market faces healthy crashing after hitting its top price(all time high).
2. Keep a check on which institutional investor is willing to invest in crypto currency.
3. The more amount of big investments happen the more accurate it is to trade as there is less volatility at that stage.
4. Study big investors plan for investments.



## Steps to invest in Crypto:

### Step 1:

Select a crypto exchange the top once are- Bitcoin, Ethereum, Dogecoin, Binance Coin, etc.

### Step 2:

Open a trading account.

### Step 3:

There is no fix amount to invest or trade in crypto currency. It can start from 1 Rs to X Rs. So select an initial amount for investing or trading according to the market stability.

### Step 4:

Fund your account as per your personal market study. And choose a calculated strategy of trading without following random opinions.

### Step 5:

Keep a watch on crypto hacks.

## INVESTING

### DO'S

INVEST EARLY AND OFTEN IN LOW-COST INVESTMENTS

Dollarroute.com

KEEP AN EMERGENCY FUND FOR 6 MONTHS OF EXPENSES

KNOW YOUR INVESTMENTS

EDUCATE YOURSELF ABOUT ONLINE INVESTMENT FRAUD

### DON'T'S

DON'T BUY AND SELL STOCKS FREQUENTLY

DON'T PUT ALL YOUR EGGS IN ONE BASKET

DON'T TAKE ON DEBT YOU DON'T HAVE TO

DON'T CHECK YOUR INVESTMENT PERFORMANCE EVERY SINGLE DAY

## RULES FOR LONG TERM INVESTING



ONLY RISK WHAT YOU ARE ABLE TO LOSE



REINVEST DIVIDENDS TO OWN MORE SHARES



INVEST IN THE THINGS YOU UNDERSTAND



DIVERSIFY AMONG DIFFERENT SECTORS AND MARKETS



CREATE A PLAN AND STICK TO IT



AVOID PANIC SELLING DURING SELL-OFFS

# Mind Crackers !!!

G	Q	C	F	A	F	L	A	E	K	M	Q	A	N	D	P	O	R	C
E	T	H	E	R	E	U	M	R	Y	U	E	T	Z	D	S	K	I	L
D	E	J	D	V	B	U	H	T	C	U	S	V	J	W	R	P	Q	U
D	A	P	X	K	R	B	J	Y	A	V	I	H	O	B	H	D	R	Z
B	E	E	E	U	B	I	T	C	O	I	N	T	J	E	Y	L	L	E
I	P	C	G	B	S	C	F	I	J	S	R	W	R	J	X	Q	K	P
N	H	R	E	S	T	F	Q	S	T	L	J	T	S	H	C	O	T	Q
A	G	Y	H	N	K	C	G	V	G	Q	E	N	C	R	Y	P	T	M
N	I	P	I	B	T	C	G	W	H	X	B	P	S	Q	N	M	O	U
C	Z	T	T	J	J	R	A	D	T	C	U	J	E	L	Y	M	K	M
E	F	O	E	K	E	D	A	H	U	O	Q	M	T	X	N	I	T	V
C	U	C	T	B	K	S	Z	L	O	I	X	V	D	S	F	N	Y	W
O	X	U	D	A	R	E	Z	O	I	T	P	K	X	N	E	I	X	X
I	T	R	A	D	I	N	G	N	Q	Z	P	F	S	C	Z	N	P	C
N	V	R	Y	H	G	L	P	Z	I	X	E	Y	K	V	S	G	N	D
J	G	E	S	C	S	F	M	H	O	Z	P	D	R	O	B	Z	Y	N
M	W	N	F	A	B	D	N	W	J	W	L	V	L	C	I	N	R	I
X	Y	C	H	D	C	Q	G	Z	R	I	Z	H	C	M	Y	M	Z	O
Z	B	Y	W	B	L	O	C	K	C	H	A	I	N	G	A	N	J	C

## WORDS:

1. CRYPTOCURRENCY
2. BITCOIN
3. COINDCX
4. CIPHER TEXT
5. ENCRYPT
6. ETHEREUM
7. DECENTRALIZED
8. BLOCKCHAIN
9. MINING
10. BINANCE COIN
11. TRADING
12. CRYPTOHACKS

## 9 BITCOIN STORIES AND FUN FACTS

**1 SATOSHI NAKAMOTO IS THE NAME**  
USED BY THE UNKNOWN PERSON OR PEOPLE WHO DESIGNED BITCOIN. **Q**UOTE: THE IDENTITY OF NAKAMOTO REMAINS A MYSTERY.



**2 IN THE EARLY DAYS OF BITCOIN,** **Q**UOTE: NAKAMOTO'S PREDILECTION OF BITCOIN WHO'S WALLETS THAT STILL REMAINS UNTOUCHED.



**3 THE FBI HAS ONE OF THE WORLD'S LARGEST BITCOIN WALLETS (VALUED AT \$120 MILLION), FROM SHUTTING DOWN THE SILK ROAD, AN INTERNET BLACK MARKET, INADVERTENTLY BECOMING ONE OF THE WEALTHIEST BITCOIN OPERATORS IN THE WORLD.**



**4 LAMBORGHINI**  
IS THE FIRST CAR COMPANY THAT ACCEPTED THE USE OF BITCOINS.



**5 NINE YEARS AGO, 10,000 BITCOINS WERE USED TO BUY \$25 WORTH OF PIZZA.**



**6 JAMES HOWELLS** MADE HEADLINES IN 2013 AFTER IT EMERGED HE HAD ACCIDENTALLY THROWN AWAY A COMPUTER HARD DRIVE CONTAINING 5,000 BITCOINS.



**7 IN 2015, ONLY 802 PEOPLE**  
**IRS**  
TOLD THE IRS ABOUT THEIR BITCOIN INCOME. **Q**UOTE: **IRS**



**8 IN 2016,** A 3D BITCOIN MODEL WAS TIED TO A WEATHER BALLOON AND SENT INTO OUTER SPACE BY GENESIS



**9 CHINA OWNS ABOUT 60%**  
OF BITCOIN'S HASH POWER, MEANING THEIR MINE ABOUT 60% OF ALL NEW BITCOINS.



Summary (TL;DR): Hold onto your Bitcoin. Anything can happen.



G	Q	C	F	A	F	L	A	E	K	M	Q	A	N	D	P	O	R	C
E	T	H	E	R	E	U	M	R	Y	U	E	T	Z	D	S	K	I	L
D	E	J	D	V	B	U	H	T	C	U	S	V	J	W	R	P	Q	U
D	A	P	X	K	R	B	J	Y	A	V	I	H	O	B	H	D	R	Z
B	E	E	E	U	B	I	T	C	O	I	N	T	J	E	Y	L	L	E
I	P	C	G	B	S	C	F	I	J	S	R	W	R	J	X	Q	K	P
N	H	R	E	S	T	F	Q	S	T	L	J	T	S	H	C	O	T	Q
A	G	Y	H	N	K	C	G	V	G	Q	E	N	C	R	Y	P	T	M
N	I	P	I	B	T	C	G	W	H	X	B	P	S	Q	N	M	O	U
C	Z	T	T	J	J	R	A	D	T	C	U	J	E	L	Y	M	K	M
E	F	O	E	K	E	D	A	H	U	O	Q	M	T	X	N	I	T	V
C	U	C	T	B	K	S	Z	L	O	I	X	V	D	S	F	N	Y	W
O	X	U	D	A	R	E	Z	O	I	T	P	K	X	N	E	I	X	X
I	T	R	A	D	I	N	G	N	Q	Z	P	F	S	C	Z	N	P	C
N	V	R	Y	H	G	L	P	Z	I	X	E	Y	K	V	S	G	N	D
J	G	E	S	C	S	F	M	H	O	Z	P	D	R	O	B	Z	Y	N
M	W	N	F	A	B	D	N	W	J	W	L	V	L	C	I	N	R	I
X	Y	C	H	D	C	Q	G	Z	R	I	Z	H	C	M	Y	M	Z	O
Z	B	Y	W	B	L	O	C	K	C	H	A	I	N	G	A	N	J	C

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