

# **BITCOIN BULLRUN 2021**



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## **Bitcoin Bull Run! - Is It Too Late to Get In?**

This has become a question most people ask on the internet. Just like you, everyone wants to reach their financial freedom. So they hope their investment, especially in bitcoin will make them rich. Before you think about the question in your mind, my simple answer is NO! It's never too late to invest in Bitcoin.

Investing in bitcoin requires patience, following its supply and demand, bitcoin's price has its ups and downs like other markets. Many people made the mistake of buying high and selling low, and you don't want to make that mistake.

Have you been paying attention to the bitcoin news recently? You will discover that corporations have begun to enter the bitcoin market. Looking for ways to protect their wealth, they decided upon bitcoin. Here is some bad news for you, bitcoin reached \$49,000 per coin, meaning that you are not too early to get into bitcoin, but you are not late either.

The investment market offers a lot of opportunities and things to invest in. It's a huge part of our lives. What has got everyone's attention recently is the cryptocurrency market, with bitcoin as its leader and most popular crypto of all.

With the likes of Tesla, Square, Microstrategy and a few other companies buying bitcoin, bitcoin has risen to a price of over \$49,000. These companies just invested in bitcoin, meaning that if this trend continues, the price will go up at a record pace.

So whatever your reason for investing in crypto is, if you are an average person just trying to begin investing, or begin to improve your life. Having one full bitcoin may already be out of your reach, and this is one of the reasons why people buy altcoins.

You will realize that you don't need to own a full coin when you fully understand bitcoin. The CoronaVirus pandemic has changed the game, making the bitcoin proposal much more understandable and desirable.

Let's get back to your idea of being late to get rich with bitcoin. Invest some money into bitcoin, learn about it, and keep investing. The point is, you need to get off zero. Even if you will not make crazy gains like the early adopters, there's still a chance to get rich. If the adoption continues to spike up, we could have a great cycle and prices could get out of hand.

As bitcoin approached a new all-time high near \$40,000 some many people stopped buying bitcoin. Thinking they would buy the dip when the price goes down but that dip never came, and bitcoin became more expensive.

To be honest with you, you will not get rich by just investing \$100. Investment normally involves money to make more money. During this bull run, I accumulated as much as I could and so far; it has paid off very well for me.

**You need to keep adding to your portfolio, and it will eventually become much bigger in the long run. Owning just 0.15BTC could one day be enough to make someone rich; most especially if bitcoin becomes a world reserve currency some day. It could become a cornerstone in your portfolio even if it doesn't make you rich. Always remember, you don't need to own a full bitcoin to make great gains.**

# Bitcoin Trading: The Ultimate Guide.

Bitcoin has brought a revolt in the online financial world. With the current buzz around bitcoin and other cryptocurrencies, many people are now interested in trading bitcoin than ever before. In fact, the number of wallet users went from 45 million to 63 million users in 2020 and still increasing, making it the highest number of wallet users ever. By taking advantage of the opportunities provided by bitcoin, you can earn smart money.

Like you, many individuals are also considering the option of bitcoin investing and trading. The first thing I want to do before we dive deep into the subject is to understand what Bitcoin trading is, and how is it different from investing in Bitcoin.

Usually, people invest in bitcoin because they believe in the technology, ideology or the team behind the currency. When people invest in bitcoin, it means that they are buying bitcoin for the long term. They believe the price will definitely rise, regardless of what happens along the way. Bitcoin investors tend to HODL the currency for the long run (HODL is the popular term in the crypto space that means “Hold”).

Unlike bitcoin investors, bitcoin traders view bitcoin as an instrument for making profits. They buy and sell bitcoin in the short term, especially when they think a profit can be made. Many people out there invest and trade bitcoin at the same time. Due to the sudden rise of bitcoin and cryptocurrencies trading, you can make a nice profit if you manage to correctly anticipate the market.

Far from most traditional markets like stocks and commodities, bitcoin trading is open at all times. It does not have an opening and closing time, you can buy and sell anytime it pleases you.

However, you should not start trading bitcoin for the fear of missing out. If you don't understand what bitcoin trading is, you won't make money from it as desired. There are certain things you must know before getting started with bitcoin trading, and the first step will be to understand the basics or getting a trading strategy.

There are many trading strategies you can choose from, such as Day trading, Swing trading and Scalping. It's up to you to go for the trading method that suits you and will help you reach your target faster.

Bitcoin is a highly volatile asset, and if you are not careful, you may end up losing a significant amount of your trading capital. So one simple rule of investing is to never invest in something you don't understand. Ensure you do proper research and do your homework about bitcoin before getting started. Most importantly, understand the volatility. By so doing, you have a higher chance of succeeding with your trades in the long run.

After choosing your trading method, you will need to choose an exchange site to trade your bitcoin. There are many bitcoin exchange sites to choose from. With the increasing fraud rates in the crypto world today, this is enough reason why you must choose carefully so you don't fall into the trap.

Some important features to watch out for when choosing an exchange site include security, reputation, user-friendliness and fees. To be sure you are making the best decision, compare the features.

It's essential to make plans and determine your trading goals early. Most people start out trading without having a plan, they don't know why they are entering a particular trade and when they should exit that trade. Setting your trading goals will help you in mapping out a plan that you can stick to in the long-run or short-run, depending on the trading strategy you would be interested in.

Finally, most people who start trading bitcoin stop after a short time because they don't make any profit successfully. Due to the numerous platforms now available, bitcoin trading has become more accessible. This easy access does not mean you should rush into bitcoin trading without understanding how it works.

**To be successful at bitcoin trading, you will have to put in enough time and money to acquire the important skills. Remember, there's no such thing as easy money without risk. While you may be a beginner, you don't have to be completely unaware. Take active steps before getting started with trading bitcoin.**

## Security: Is Bitcoin secured?

There are new ways to buy, sell and store Bitcoin. As the technology gains wider acceptance in recent years, the more convenient and more secure investment method it becomes. Although the early days of Bitcoin may have been marred by hacks and fraud, but with the technology becoming more regulated and accepted by global financial institutions, it has largely come out of the shadows and gained a degree of legitimacy.

### What Are the Risks Associated With Bitcoin?

There are three main risks associated with buying and owning bitcoins.

1. You could lose the private key that allows you to access your bitcoins.
2. Bitcoin's value may decrease after you buy your bitcoins.
3. Someone could get access to your private key and take your bitcoins.

Technically, you'll never physically possess bitcoins—Bitcoin is a digital currency after all. However, a private key is what gives you the ability to spend or transfer bitcoins, which gives you ownership over the bitcoins associated with it. If someone gets your private key, they could transfer the bitcoins into their digital wallet, and you might not have any way to get your money back. Some people choose to store their private key on their own rather than using an online wallet, and there are horror stories of people losing tens of millions of dollars worth of bitcoin after losing or throwing out storage devices.

The second risk is the same risk that's associated with making any type of investment. Whether you're buying stocks, bonds, mutual funds, indexes or lending money, there's a chance that the value of your investment will decrease or the other party won't pay you back. You may even lose your entire investment.

Bitcoin is a volatile investment, meaning the price may quickly move up or down. If you buy Bitcoin and later sell it when its value is higher, you could stand to gain a lot of money.



## How to Keep Your Bitcoins Safe

Physical wallets, a safe deposit box at a bank could be another option, although those aren't necessarily sure-proof as items could still be lost or damaged. The best way to keep your bitcoins safe is to have your private key stored in a device or app that isn't connected to the internet, or in a non-digital form, such as written on a notepad.

When your private key is stored somewhere that isn't connected to the internet, it's called a cold wallet.

You could also add an additional layer of protection to your cold wallet by encrypting the device. Or, in the case of a written private key, altering a few digits so it won't be usable by others. Some people prefer to keep their bitcoins in an online digital wallet, particularly if they frequently buy and sell the currency or want easy access to their digital wallet from different devices. Many online cryptocurrency platforms or exchanges will create a wallet for you when you open an account.

**Beyond where you store your wallet, the largest risk factor may be the human element. Cryptocurrency scams are on the rise, and fraudsters may try to get you to share your private key or account details. Or get you to install software that infects your devices and can steal this information**

# What are Bitcoin Exchanges

## 3 Best Bitcoin Trading Exchanges

Bitcoin exchanges are websites where you can buy, sell or exchange your bitcoins for other digital currencies or traditional currencies like the United States Dollars or Euro.

**What you should look out for before using any bitcoin exchanges.**

You should always do a little homework before you use any bitcoin exchanges. Here are some things you should look out for.

**Payment Methods;** What are the payment methods available on the exchange? Do they allow payments via credit cards, debit cards or wire transfer from your bank? You should always remember that buying bitcoin with credit cards will require your identity verification and it comes with a premium price as there is a higher risk of fraud and high transactional fees. Meanwhile, buying bitcoin through the wire transfer payment option will take significantly longer as it takes time for banks to process.

**Verification Requirements;** Most of the bitcoin exchanges require some sort of ID verification in order to make withdrawals and deposits. Verification can take up to a few days, it protects the exchange against all kinds of scams and money laundering. Although some exchanges will allow you to remain anonymous.

**Reputation;** One of the best ways to find out about an exchange is to search through reviews from well-known websites or forums like Reddit or BitcoinTalk

**Trading Fees;** Trading fees can differ, it all depends on the exchange you use. Most bitcoin exchanges should have fee-related information on their websites. Make sure you understand deposit, transaction, and withdrawal fees.

**Geographical Restrictions;** Make sure the exchange you want to join allows full access to all platform's functions and tools in the country you live in because most exchanges are only accessible from certain countries.

## **So, which crypto exchanges are best to buy bitcoin?**

You have enough platforms to choose from, but always remember that all exchanges are not created equal. Here are the 3 best bitcoin exchanges in no particular order, this list is based on user reviews, user-friendliness, accessibility, security and fees.

**Kraken**; This bitcoin exchange is based in San Francisco, USA, it is the largest bitcoin exchanges in Euro and it is a partner in the first cryptocurrency bank. You can trade other digital currencies like Monero, Ethereum, Dogecoin, Stellar, Ripple, Litecoin and more. Kraken allows you to transact or trade your bitcoins with Euros, US dollars, British pounds, Canadian dollars and Japanese Yen.

Kraken has a good reputation, it's easy to use with decent exchange rates. That's not all, it comes with low transaction fees, it's secured and supported worldwide. Kraken does not currently accept deposits via credit cards, debit cards, PayPal, or similar services.

**Poloniex**; Poloniex is a bitcoin exchange that offers you a secure trading environment with so many bitcoin pairings, data analysis for advanced traders. It employs a maker-taker fee schedule for all trades, so fee changes depending on if you are the maker or taker and the amount traded.

Poloniex was founded in 2014 and has since then proven to be one of the world's leading bitcoin exchanges with more than 100 different bitcoin pairings. It also offers a secure trading environment for beginners and experienced traders. There are no fees for withdrawals besides from fees required by the network.

## **LocalBitcoin**

This bitcoin exchange is a peer-to-peer platform with buyers and sellers in so many cities around the world. You can buy, sell and meet up with people in your area through this exchange. You can deposit through PayPal, skrill or even arrange to deposit cash at your local bank branch. It uses a 2-factor authentication to add extra security, preventing hackers from accessing your account, and it has to be done by you, the user.

LocalBitcoins also keep a record of the browser that is constantly used for logging into your account. If you use a new IP address, then you have to pass through a verification process through email to confirm your identity. It's beginner-friendly and available worldwide.

## **Conclusion**

Choosing the best bitcoin exchange platform according to your needs can be a difficult and time-consuming process sometimes. You should never forget that you are not limited to using only one bitcoin exchange.

# Bitcoin Wallet: What It Is And The Best For You.

It is very necessary to store your bitcoins safely, but you are responsible for managing them yourself. You are your own bank, and this is what makes bitcoin interesting.

You store and manage your bitcoins using a wallet. On this page is a brief explanation of everything you need to know about bitcoin wallets.

## What Is A Bitcoin Wallet?

A bitcoin wallet is a program that sends, receives, stores and monitors bitcoin balances. The Wallets monitor every Bitcoin address on the blockchain and update their own balance with each transaction made. It's more like a digital bank account.

One of the most important things to remember about a bitcoin wallet is what defines the wallet and where its private key is stored.

A private key is a very long combination of numbers and letters that acts as the password to your Bitcoin wallet. It's from these numbers and letters that your wallet gets its power to send your Bitcoins to other recipients. You can also think of it as a local coordinator for locating your Bitcoins.

## Which bitcoin wallet should I go for?

There are a lot of different wallets to choose from, but choosing a wallet depends on several factors. Whether you would like to buy a small amount, just started trading in cryptocurrencies, invest a large sum, or are you more experienced?

Setting up a bitcoin wallet is simple. There are three types of wallets;

- Mobile wallets
- Software wallets
- Hardware wallets.

The software and mobile wallets are often free, and each wallet has multiple providers, which have their own characteristics with regard to things like ease of use and security.

You can see below which wallet is suitable for you.

## Mobile wallet

This is an app on your mobile device that you can use to store and manage your coins. Just like every other app, it can be downloaded to your mobile device from the Google Play Store or App Store.

Once your new wallet is created, you will be provided with a private key which proves you own a certain number of coins on the blockchain.

## **Software wallet**

This is a software or program that is installed on your computer

## **Hardware wallet**

This is one of the safest methods to store and manage your cryptocurrencies.

It is a physical wallet that encrypts access to your coins by the device. The risk of losing your coins due to a crypto hack isn't there when using a hardware wallet.

You can purchase a hardware wallet from the manufacturers or on the website.

## **How to create a bitcoin wallet**

- Open the Google play store or the App store on your mobile device
- Search and download your preferred crypto app
- Open the app and sign up
- Write down your 24-words recovery phrase. (this is very necessary, it is the backup for your wallet)
- Add bitcoin to your portfolio
- And then use your receiving address to receive bitcoin from others

## **How do I receive or send bitcoin?**

### **Receiving**

Copy the receiving wallet address from your wallet, and paste it on the Bitcoin Direct order form. This way, the sender knows where to send the coins to.

### **Sending**

This is just as easy also! Tap on the "send" option in your wallet. Copy and paste the receiving address from the recipient. Fill in how much bitcoin you'd like to send and then confirm.

## **Best Bitcoin wallet for you**

4. Coinbase - <https://www.coinbase.com/>
5. PointPay Banking Wallet - <https://bank.pointpay.io/>
6. Binance chain (BNB) - <https://accounts.binance.com/>

# How to Buy, Sell and Transact with Bitcoin

Bitcoin's technology is over a decade old, and many bitcoin exchanges have made this process simple or easier for you by handling the more technical part so you can enjoy buying and selling your bitcoin. So, do you understand what happens in a bitcoin transaction? Let's start with the basics.

## How Bitcoin Works?

There are three main bitcoin theories that are very important in understanding the principles of Bitcoin;

7. Demand and Supply
8. Cryptography
9. Decentralized networks

## Demand and Supply

When something is limited, its value increases. The more people want it, the more its price increases. This is the theory of demand and supply, and bitcoin uses this theory as well.

Bitcoin's supply is limited, it is produced at a fixed rate which decreases over time, through its halving that occurs every four years until we have 21 million bitcoins in supply. Once we have 21 million bitcoins in supply, no more bitcoins can be created. Good news is, we still have a long way to go before it reaches 21 million!

## Cryptography

The concept of cryptography was used a lot in the past to convert radio messages into unreadable codes. You will need to convert these codes back to the original message for you to be able to read it. For you to do that, you'll need a key.

Bitcoin uses cryptography theory in the same way, but instead of converting radio messages, bitcoin uses this concept to convert transaction data. Bitcoin does this through blockchain technology.

## **Decentralized Networks**

Bitcoin uses decentralized network concepts too. For you to understand how bitcoin works, it's important for you to know that data is everywhere in a decentralized network.

So, now that you know how bitcoin works, and you are ready to make your first transaction, let's move on to how bitcoin transactions actually work.

### **How Do Bitcoin Transactions Happen?**

Transactions on bitcoin are programmatically confirmed by miners, these transactions are designed to be publicly searchable and immutable once embedded in the blockchain.

Bitcoin transactions contain three key variables: the amount being transacted, an input which is the address from which the bitcoin is sent from, and the output which is the address where the bitcoin is sent to.

Bitcoin transactions sent to the network are first verified by available bitcoin nodes. The network needs to verify that you own the bitcoin that is being transferred. Once this transaction is verified, your transaction is confirmed.

This confirmed transaction is now included in a "block" to be added to the blockchain. There's a unique identifier called transaction hash where every transaction on the blockchain is tied to. You can track any transaction by typing its transaction hash in the search bar on the blockchain explorer.

You can't undo or tamper with bitcoin transactions, that will mean re-doing all the blocks that came after. It takes a lot of time to process a single transaction among the many on the blockchain because the bitcoin blockchain is large and the process is not instantaneous.

**Time taken to confirm a transaction varies and is based on the blockchain and the size of your transaction.**



# Bitcoin Halving: Everything You Need To Know

The world's biggest cryptocurrency's "halving" occurs once every four years, The digital currency relies on what is known as a "miner", who runs software that races to solve complex maths puzzles in return for Bitcoins.

Previous halvings have been followed by bull runs that saw a massive increase in bitcoin's value and cryptocurrency investors are very much interested due to the effect halving has had previously on the cryptocurrency space.

Halving refers to the number of coins that miners receive for adding new transactions to the blockchain being cut in half until the last bitcoin is mined. Supply and demand is the theory around this-the fewer bitcoins that are being created, the more valuable those in existence are.

After every four years, the reward given to bitcoin miners for processing transaction is cut in half. Back in 2009, the reward for each block mined was 50 bitcoins. It reduced after the first halving to 25, then to 12.5, and now it's 6.25 bitcoins per block after the halving that occurred in May 2020.

This system will continue until the year 2140 where miners will only be rewarded with fees for processing transactions that network users will pay, ensuring that miners still have the incentive to mine and keep the network going.

Bitcoin halving is very significant because it cuts in half the rate at which bitcoin is released in circulation, and it marks a drop in bitcoin's finite supply. Bitcoin's total supply is 21 million, we have about 18 million bitcoins already in circulation, there are about 3 million bitcoins left to be released through mining.

## **Why Does It Matter?**

Bitcoin buyers should be aware of this systemic feature as well since a halving often comes with a large amount of turbulence for the cryptocurrency.

It's easy to see why – as Bitcoin halving takes place, the supply of available Bitcoins becomes smaller, thus increasing the value of the Bitcoins yet to be mined. And with those fluctuations comes the chance to profit.

For some context, consider Bitcoin's history. The first halving occurred on Nov. 28, 2012, when the price of a Bitcoin was a mere \$12 – one year later, Bitcoin had skyrocketed to around \$1,000. On July 9, 2016 the second halving took place – Bitcoin had fallen to \$670 per coin by then, but it shot up to \$2,550 by July 2017. In December of that year, Bitcoin peaked at a then all-time high of roughly \$19,700.

# **What is Blockchain Technology?**

## **A Guide For Beginners**

With the increasing need for modernization in our day-to-day lives, people are open to accepting new technologies, and the 21st century is all about technology. From using a remote for controlling devices to using voice notes for giving commands, modern technology has made space in our regular lives.

There's a common misconception among people that Bitcoin and Blockchain are one and the same, however, that is not the case. Creating cryptocurrencies is one of the applications of Blockchain technology. Other than Bitcoin, there are numerous applications that are being developed on the basis of blockchain technology.

### **So, what is Blockchain?**

Think of it as a chain of records stored in the forms of blocks which are controlled by no single authority. In the simplest terms, Blockchain can be described as a data structure that holds transactional records and while ensuring security, transparency, and decentralization. A blockchain is a distributed ledger that is completely open to any and everyone on the network.

Each transaction on a blockchain is secured with a digital signature that proves its authenticity. Due to the use of encryption and digital signatures, the data stored on the blockchain is tamper-proof and cannot be changed. Blockchain technology allows all the network participants to reach an agreement, commonly known as consensus.

All the data stored on a blockchain is recorded digitally and has a common history that is available for all the network participants. This way, the chances of any fraudulent activity or duplication of transactions is eliminated without the need of a third-party.

The blockchain database is decentralized and is not limited to any single location, meaning that all the information and records kept on the blockchain are public and decentralized. Since the information is not stored in a single place, there's no chance of corruption of the information by any hacker.

# How Does a Blockchain Work?

A blockchain is a chain of blocks that contains data or information. A blockchain network makes use of public and private keys in order to form a digital signature ensuring security and consent. Once the authentication is ensured through these keys, the need for authorization arises.

Blockchain allows participants of the network to perform mathematical verification and reach a consensus to agree on any particular value. While making a transfer, the sender uses their private key and announces the transaction information over the network.

A block is created containing information such as digital signature, timestamp, and the receiver's public key. This block of information is broadcasted through the network and the validation process starts. Miners all over the network start solving the mathematical puzzle related to the transaction in order to process it.

Solving this puzzle requires the miners to invest their computing power. Upon solving the puzzle first, the miner receives rewards in the form of bitcoins. Such kind of problems is referred to as proof-of-work mathematical problems.

Once the majority of nodes in the network come to a consensus and agree to a common solution, the block is time-stamped and added to the existing blockchain. This block can contain anything from money to data to messages. After the new block is added to the chain, the existing copies of the blockchain are updated for all the nodes on the network

## Types of Blockchains

There are two broad categories in which blockchains can be classified majorly i.e. Public and Private blockchains.

### Public Blockchain

A public blockchain is a permissionless ledger and can be accessed by any and everyone. Public blockchains allow communities worldwide to exchange information openly and securely. Anyone with access to the internet is eligible to download and access it. An obvious disadvantage of this type of blockchain is that it can be compromised if the rules around it are not executed strictly.

Public blockchains usually reward their network participants for performing the mining process and maintaining the immutability of the ledger. An example of the public blockchain is the Bitcoin Blockchain.

## **Private Blockchain**

Private blockchains are the ones that are shared only among the trusted participants. Private blockchains can run independently or can be integrated with other blockchains. The overall control of the network is in the hands of the owners. Moreover, the rules of a private blockchain can be changed according to different levels of permissions, exposure, number of members, authorization etc.

## **Conclusion**

Other than these few examples, the revolutionary technology of Blockchain holds a high potential for applications in many different industries and sectors. Blockchain is a new name in the world of technologies but it is definitely the one to last. Even in the early stages, the technology has gained huge popularity starting with their very first application of cryptocurrencies.

**While some industries have already started adopting blockchain in their businesses, many are still exploring the best possible ways to start with.**

## **Bitcoin Mining: What It Is And How It Works.**

You've probably seen videos and read articles about Bitcoin, Dash, Ethereum, and other types of cryptocurrencies. And in those pieces of content, the topic of Bitcoin mining often comes up. But all of this may leave you wondering, "what is Bitcoin mining?"

Bitcoin is a sovereign system of digital money. It has no direct correlation to any real-world currency, nor is it controlled by any government or centralized entity. It's made quite a splash with miners, investors and cybercriminals alike. Here's what to know about Bitcoin mining and how it works.

It refers to the process of gathering Bitcoin as a reward for work that you complete. Why do people mine bitcoin? Well, some are looking for another source of income, gaining greater financial freedom without governments might be another reason for others. But whatever the reason may be, bitcoin is a growing area of interest for investors and cybercriminals too.

So what is Bitcoin mining?

Bitcoin mining is a transactional process that involves the use of computers and cryptographic processes to solve complex functions and record data to a blockchain. The term bitcoin mining means gaining bitcoin by solving cryptographic equations through the use of computers. In fact, there are entire networks of devices that are involved in bitcoin mining and that keep shared records via those blockchains.

This process involves validating data blocks and adding transaction records to a public record (ledger) known as a blockchain. Bitcoin Mining is a record-keeping process executed through immense computing power. Each Bitcoin miner around the world contributes to a decentralized peer-to-peer network to ensure the payment network is trustworthy and secure.

To better understand how crypto mining works, you first need to understand the difference between centralized and decentralized systems.

## How bitcoin mining works?

Bitcoin miners verify the legitimacy of transactions in order to reap the rewards of their work in the form of bitcoins. In the Bitcoin network, a miner's goal is to add individual blocks to the blockchain by solving sophisticated mathematical problems. This requires enormous computational and electrical power.

To understand how the process works in a more technical sense, you will first need to understand the technologies and processes behind it. This includes understanding what blockchain is and how it works.

A blockchain is a series of chained data blocks that contain key pieces of data, including cryptographic hashes and traditional cryptocurrencies such as Bitcoin use blockchain. All mining starts with the blockchain. This is an online decentralized ledger that records transactions throughout a network. A group of approved transactions is called a "block." These blocks are tied together to create a "chain," hence, the term "blockchain." These blocks, which are integral to a blockchain, are groups of data transactions that get added to the end of the ledger.

Not only does this add a layer of transparency, but it also serves as an ego inflator when people get to see their transactions being added (chained) to the blockchain. Even though it doesn't have their names listed on it, it often still evokes a sense of pride and excitement.

# What's The Future of Bitcoin?

No one knows what will happen with Bitcoin, the future of Bitcoin will largely depend on if it becomes used more frequently. Many of the sharpest minds in crypto embrace that uncertainty, broadly agreeing that we just don't know. And perhaps that's part of the allure.

There seem to be two major examples of use cases for Bitcoin. One is as a medium of exchange and one is as a store of value.

## **Bitcoin as a Medium of Exchange**

Could the future of Bitcoin be it becoming the main medium of the transaction? Using it as a medium of exchange is another use case for Bitcoin. As previously mentioned, Bitcoin is already used around the world as a medium of exchange.

Unfortunately, it's not really that good in its current form for use as a medium of exchange. Bitcoin is a blockchain-based digital currency. It was designed to be as secure and immune to attacks as possible. This means it must sacrifice speed for this security.

To maximize the security of the Bitcoin network, it has long times between the creation of each block. Whilst this makes it much more expensive to attack the network for any length of time, it also means that transactions are slow to go through.

Another issue with the blockchain that backs Bitcoin is that there is only a certain amount of space per block. This means that when the network is being used by many people at the same time, not all the transactions that are requested can fit into the blocks. This creates a kind of waiting list.

Since the computers that verify the network (miners) are trying to make profits, they include the transactions that have the largest fees attached in the next block. This creates a situation where people keep upping their fees to get the network to notice their transactions.



## **Bitcoin as a Store of Value**

Value is created by humans. Think about a diamond or gold. You can only really sell it, it doesn't do anything. You can't eat it, and you can't use it to keep you warm. If you went to a remote jungle tribe that doesn't value gold and tried to sell it to them, they'd probably laugh at you.

Bitcoin actually makes an excellent store of value in its current form theoretically. The only reason it is not behaving like one is down to people's greed and naivety as to what it is and why it is special. So the value itself plays a key role in the future of Bitcoin.