

# [The anything. the transactionsare anonymous and are](https://assignbuster.com/the-anything-the-transactionsare-anonymous-and-are/)

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The internet is full of posts about cryptocurrencies, especially Bitcoins.

Bitcoins can be confused withstocks or the stock market. But, it is not a stock, though it might resemble one. For one, bitcoin isdecentralized and a world-wide payment system, it is governed by the Internet and is “ mined” bypeople on the internet. This is an online currency released in 2009, whose price keeps increasing asits demand increases. Many economists believe that bitcoin is a bubble waiting to burst, and their claims are wellfounded. Bitcoin is extremely volatile. In an instance you can lose thousands of rupees or gainthousands more.

Bitcoin took 5 years to reach $1 from $0, and had a 62% drop on 2014. Theinventor of bitcoin, Satoshi Nakamoto is still anonymous, though there is no dearth of imposterstrying to hog the credit. Nowadays, one can even use bitcoin as an actual currency with somemerchants. In 2010, a man bought 2 pizzas from Papa John’s for 10000 BTC which amounted to amere $41 then.

Now, a Lamborghini can be bought for the equivalent number of bitcoins. Fortrading in bitcoins, a private key is needed. If the key is lost, the bitcoins are lost too. James Howell, an IT guy lost about 7500 bitcoins because he threw away his hard disk which had his private key. Tillnow, 25% of the bitcoins mined has been lost. There can be a maximum of 21 million bitcoins only, out of which 16 million are already in use.

A bitcoin transaction once performed, vanishes from yourend, you won’t get it back, even if it was a fraud or a lost connection, or anything. The transactionsare anonymous and are made directly, with no intermediates. The transactions are recorded inblockchains, which are public distributed ledgers. In India, bitcoin trading can be done through Unocoin, Zebpay, and Coinsecure, but the profits, ifany, are liable to income tax. The fluctuating market of cryptocurrency is enchanting as well asdangerous.