

# Bitcoin, what else? alternative coins



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Bitcoin is leading a crusade against traditional payment methods and is set to wreck some havoc in the near future. If Bitcoin is the King, who are his Knights fighting for a spot at the crypto-currency round table?

There are more than 80 alternatives digital currencies, most of them are derived from Bitcoin Protocol. The others are called non mineable currencies such as Ripple.

The following table shows the 10th first digital coins based on their Market Capitalization:

Source: Coinmarketcap (25th January 2014)

Bitcoin – total domination

Market Cap: near 10 Billion Dollars

Developed by Satoshi Nakamoto, Bitcoin is a form of digital currency that is mined by millions of computers solving mathematical problems all over the world. One of Bitcoin's most important features is, that is decentralized and is not controlled by a single institution. Bitcoin is also limited in its supply, with only 21 million coins abled to be mined.

Ripples – non-mineable

Market Cap: near 2 Billion Dollars

Ripple is not based on the Bitcoin protocol, but is rather an Internet protocol designed to send and receive payments. However, it offers users more than just being a payment network. It is also is also a currency (similar to Bitcoin)

as well as a distributed exchange. Ripple is backed by venture capitalist firms, such as Andreessen Horowitz, Google Ventures and Lightspeed Ventures to name a few.

Litecoin – Bitcoin's sister

Market Cap: over 500 Million Dollars

Litecoin is basically Bitcoin-lite. Both are very similar, but Litecoin boasts a shorter block rate of 2.5 opposed to Bitcoin's 10, which allows faster transaction times using Litecoin. Mining Litecoin is also aimed to be more cost effective than mining Bitcoin, because in theory it prevents the use of ASIC miners and is supposed to promote egalitarian participation.

Peercoin

Market Cap: about 100 Million Dollars

Another Bitcoin based clone, Peercoin offers an unlimited coin supply and is invented to one day attain an inflation rate of 1%. Planned around a proof of stake mining setup (it mining currently is currently still proof of work, similar to Bitcoin) mining Peercoins will prove much more efficient than mining for Bitcoin. Because of this, Peercoin could be the choice of the environmentally conscience in the future.

Dogecoin

Market Cap: around 65 Million Dollars

Based on the popular “Doge” meme, it added a friendly face to cryptocurrencies. Dogecoin, a Litecoin derivative, has so far acted mostly as a coin to tip others with on Social media or in online games, but has recently gained much momentum on its way to the moon by gaining a serious slice of the coin market cap pie. It has not only more daily transactions than that of Bitcoin, it also has been rumoured to help the Jamaican bobsled team get to the Winter Olympics.

### Namecoin

Market Cap: about 40 Million Dollars

Namecoin is a great example of how versatile the Bitcoin protocol is.

Namecoin, acting as a decentralized DNS, makes it possible for users to purchase .bit domain names outside of the control of the Internet

Corporation for Assigned Names and Numbers (ICANN). This all occurs at a fee of 0.01 Namecoin. Overall this would make internet censorship much more difficult. This could be a coin with huge potential.

### Quarkcoin

Market Cap: around 18 Million Dollars

Quarkcoin markets itself as not only being much more secure than Bitcoin, but also being faster. It has a set coin supply of 247 million coins, opposed to 21 million Bitcoins, but will continue to release coins after the initial supply has been mined at an inflation rate of .5% per year.

### Worldcoin

<https://assignbuster.com/bitcoin-what-else-alternative-coins/>

Market Cap: around 12 Million Dollars

Worldcoin's main aim is to be the currency of choice for merchants and consumers in day to day transactions. Claiming blazing fast speeds with transaction being confirmed in 60 seconds. Worldcoin will soon also be backed by Scharmbeck, a service which allows users to buy Worldcoin directly with Dollar, hereby cutting out Bitcoin as the middleman.

Freicoïn

Market Cap: under 2 Million Dollars

Currently sitting at number 26 on the Coin market cap listings, Freicoïn might not seem like much of a contender to be king one day. Although Freicoïn is still similar to Bitcoin and Litecoin, it has a built in feature called Demurrage which makes it one of the most unique coins out there. What this basically means is that holders of Freicoïn would pay a fee of 5% each year automatically, to ensure holders to keep re-investing their money and keep them from long term holding as is seen with Bitcoin for example.