



Alex Greench

Digital Gold: EARN MONEY ON THE WEB



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«Издательские решения»

Greench A.

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The book contains 8 methods of earnings on the Web with detailed instructions for each of them. In addition, the book contains 100 tips for success, recommendations for investing and a lot of other interesting information. And if you are lucky, then you will have possibility to use a very useful link and you can get cryptocurrency completely free.

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Содержание

I. Introduction	6
II. Some tips	7
1. 100 tips for success	8
2. How to Set Goals	17
3. Recommended Literature	18
III. Practical advice	19
1. Investing in cryptocurrency	19
Terminology. Cryptocurrencies	19
Blockchain	19
Application outside the scope of cryptocurrency	20
Bitcoin	23
Violence against cryptocurrency owners	27
A brief history of Bitcoin. Interesting facts	27
Is there a Cartel?	29
Конец ознакомительного фрагмента.	34

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I. Introduction

Greetings to everyone who reads this book!

This book is about making money online. I was encouraged to write it by a motivational video that a friend sent to me on Facebook. After seeing it, I decided to write my book.

You may have already heard about many types of earnings before but haven't dared to try. Something, perhaps, will be a discovery for you. I really hope that the information presented here will push many to action. I want as many people as possible to begin to apply my advice in practice after reading this book

This book is written for anyone who wants earn money online. If you want to become financially independent and improve your financial knowledge, if you think that you can make money on the Internet independently and without significant contributions – then this book is for you.

I want as many ordinary people as possible to learn about unusual methods of earning. The time when only very rich people could invest and earn money has passed. Now it's time for ordinary people, now we can become venture investors ourselves and find ways to financial independence. I hope everyone will find something useful in this book or be able to inspire your friends, relatives or loved ones.

In this book, I also want to give some advice that I use myself. I borrowed some of them from other books, some things were taken from personal experience. While some tips may seem rather trivial, maybe they will become an impulse to action for some people.

Certain information in the book (especially about investment) is advisory in nature. And if you read this book, then most likely, you are already adult enough to understand this, and you should be able to make important decisions on your own. I just want to present useful information that helped me a lot. The methods of earnings described here are based on personal experience, and I have tried almost almost all of the proposed types of earnings on my own. How you will use this information is up to you. Think carefully about where you see yourself in 5 or 10 years. Will you continue to work for a penny or will you create a future you have long dreamed of?

*“There is power inside us within each of us can afford health and disease,
wealth
and poverty, freedom and slavery. All these can drive only us and nobody else.”
R. Bach*

II. Some tips

The idea to add useful tips to the book appeared when I began writing my autobiographical novel. I decided to supplement it with earnings recommendations on the Internet, but there was just too much advice and recommendations. Therefore, I preferred to separate them from my autobiography and write a separate book on online earnings. Writing an autobiography had to be postponed. The idea that I can share useful information with people inspired me a lot, and I began to devote all my free time to writing this book.

1. 100 tips for success

I can't say that I always follow them myself, but I strive for this. And I am sure that success is guaranteed to everyone who will adhere to them. So, let's go.

1. Avoid incomprehensible and expensive services.

It means that if someone (manager, consultant, bank employee) tries to offer you expensive services, the essence of which is unclear – refuse immediately. Otherwise, the desire not to seem silly will take over you, and you will agree. In the end, you will be at a loss and won't understand what you paid for. Example: you are a student in your first year of high school and buy a new laptop in the hardware store for \$400. At the same time, you are offered to additionally purchase cross-platform MSSQL for Hyper-B replication for \$50 (the name is fictional). Of course, you agree, but you have no idea what kind of software it is.

2. Avoid very expensive services.

Any business owner, even small (and I'm not talking about the financial giants), seeks to sell their product or service. For example, I was repeatedly asked to purchase various additional insurance when opening a deposit in the bank. But we do not have to agree, remember that. You can refuse. Do not let them get access to your pocket.

3. Never deny yourself anything.

Of course, not everyone can leave the house and go buy a yacht. But this does not mean that it's impossible. Set a goal, look for opportunities but do not deny yourself. Otherwise, you will regret it. If you want to go drink a cup of hot espresso or go for a weekend in Paris – go ahead! We only live once, and time flies very quickly.

4. Love life and love to live. Be thankful for all that you have.

If you can walk, see, hear and serve yourself – be grateful for that. Be thankful for a little, and you will get more. Gratitude opens the door to opportunity and allows ideas to find us.

5. Do not think about what others think or say about you.

Other people will always talk and think about us; that's how people are arranged. Therefore, if today is a good mood, and you want to wear a yellow T-shirt and green pants, don't be afraid of hearing the opinions of others. Most people either hate or they're envious. So, it's better that they envy your good mood; let others think about why you feel so good.

6. Never make excuses.

Whatever you say, everyone will interpret it in his own way. By making excuses, you just look guilty. And more importantly, do not use other people's excuses. We are not obliged to explain anything to anyone. Let others live with their doubts in you.

7. Tell yourself the truth about how you feel.

If you do not lie to yourself about your feelings, you will not have to lie to others. It will relieve many problems. Why endure what you don't like?

8. Tell others the truth about how you feel about them.

This is your life, and only you decide with whom to spend it. And I am not only talking about personal relationships but also about work, school, university, etc. If you love somebody – tell them. If a person is unpleasant to you – try to tell him in the correct manner. You must learn to resist the feelings that can lead to the wrong path.

9. If you want to be rich – you need to become financially literate

Unfortunately, in school, we are not taught many useful things, and nothing can be done about it. We are not told about investments, stocks, funds, exchanges, etc. I believe that school is important, but we could live without it. The same with a college degree. For example, I graduated from a medical academy, spent 8 years of my life on this, and work was a complete disappointment. There were no conditions for working, first-aid medicines sometimes were simply not there, but there was a lot

of responsibility. And the salary was only 100 dollars a month. Therefore, financial education is what each of us needs above all in modern conditions.

10. Never take loans and goods with payment by instalments.

Banks and shops are full of advertising about low-interest loans. But, as a rule, very few people notice an almost imperceptible asterisk next to this “low” percentage *. Or they just do not want to notice. Loans are the worst thing you can do to get money. Not only will you have to give the bank/store the lion’s share of the money you earned, but your emotional state is unlikely to be the same. A study was even conducted about this: people who take loans feel unhappier than those who do not take loans. So, it is better to borrow money from a friend (if, of course, you are going to give it away). And even better – to suffer and collect the required amount alone. After all, banks live at the expense of loans and commissions. I prefer to save rather than fill the pockets of those whose pockets are already full. In addition, imagine for a moment that you took a decent loan, but something happens to you. You need to be realistic; sometimes, bad things happen too. And the government, in this case, has its own solution. They create laws according to which all debts are “inherited.” Therefore, think about your relatives, and consider carefully all the pros and cons before taking a loan. And if this is a matter of life and death – read the contract carefully and completely when you make a loan.

11. If you work for money, you give power to an employer. If your money works for you – you have the power and control

We have the right to choose – to become a gear in the mechanism or to control the mechanism ourselves. I think it’s worth at least trying to start your own business. Then you can manage your own life, decide when to go on vacation and where to invest your profits. You say – you need initial capital. Yes, initial capital is really needed. But think: American entrepreneur and restaurateur, Ray Kroc opened the first McDonald’s as an ordinary traveling salesman. At that time, he was 53 years old. Therefore – start with small things.

12. Knowledge is power.

I don’t mean the knowledge that we get in school or university (although the multiplication table and foreign languages are really very important). I mean financial literacy. Imagine that a document in French about the collapse of Corporation X being prepared for tomorrow, whose shares are trading at \$500, fell into your hands by chance. If you are a smart person, and you know French – you will go and immediately put a tidy sum on lowering the price of shares of this Corporation X or sell them if you have them in your portfolio. If you have no knowledge, you will throw such a document in the trash although it could make a good profit. And money is power. I’m exaggerating, but you have to understand the point.

13. Do not buy liabilities. Buy assets.

Assets are a business that does not require your presence (not a job!), stocks, bonds, open-ended investment funds, real estate generating income, IOUs, royalties and intellectual property (music, photos, illustrations, books, patents) and other material values (which can be sold profitably). After all, an asset brings luxury items. First, acquire an asset and then – luxury items. You cannot be a slave to money; you need to be its master.

Liabilities (not to be confused with a passive source of income) – this is what takes money out of your pocket (car, house).

And indeed, people buy cars and houses, thinking that they have acquired assets. In fact, they buy liabilities. And the reason for this is the lack of financial education. After all, calculate how much you need to spend on gasoline and car repairs per month. And how much you need to pay for utilities, minor repairs (after all, the house is constantly breaking something), how much you need to pay property taxes...

14. Be smart, and no one will get the better of you.

Remember that an intelligent person will always win the argument; an intelligent person is harder to mislead. Being smart does not mean knowing everything. Sometimes, it is enough to know

the techniques of conducting a conversation to be able to recognize the non-verbal signs of the interlocutor. And for this, you need to read the relevant literature.

15. Do not underestimate yourself.

Get used to the fact that you are an irreplaceable and unique person. Modesty, of course, is good, but it should be in moderation. Don't be afraid to ask more for your product/service. If you don't value yourself highly, then no one else will do it for you.

16. Do what you think is right in the depths of your heart.

The advice of family and friends is undoubtedly important, but it should always remain only advice. Do not try to please someone. We have one life, and we need to live it the way we want it. What is the point of doing what we don't like all our life? Besides, whatever you do, you will still be condemned.

17. Do not say "I can not afford it," say "how can I afford it?"

Indeed, you cannot give up if you are in financial difficulties. It is necessary to look for opportunities and achieve the goals set by any efforts. And it is necessary to learn to achieve everything on our own and not to expect that everything we desire falls from the sky.

18. Invest in your education.

Learn languages, buy a useful book, watch a video lesson, attend lectures, business seminars (by the way, there are many free seminars). Learn to choose the important and prioritize. Start faster. Practice but move slowly.

19. Choose friends and partners carefully.

Unfortunately, now is a time when people will do anything for the sake of money. Therefore, be attentive to your business partners and the environment. In this case, perhaps you need to listen to the advice of relatives. They have more experience in life, and they can recognize the scoundrels better.

Also, try to avoid negative people in your life. Yes, sometimes we all have difficulties, and in such cases, we need support. But there are people who are always unhappy with something, who always have problems and who always complain. So, try to spend less time with such people. We do not need negative energy. In addition, it is desirable to communicate as much as possible with successful and wealthy people. They can teach you a lot. Limit communication with those who will pull you down.

Success can be attracted by becoming better and attuning to the positive.

20. Do not get into debt.

Debts and loans are pits and traps from which it can be very difficult to get out. Learn to cover all your expenses yourself. Get first of all what is really necessary. Paying your latest iPhone by instalments and then only being able to buy bread and water is foolish.

21. Find a hero you would like to be like.

I do not mean Superman or Batman but real successful people. This will be a good incentive for self-development. There will be aspirations and goals which will be easier to achieve.

22. Whenever something is missing, or you need something, first give what you want, and you will be rewarded a hundredfold. This applies to everything: money, love, friendship, etc. I have tested this on myself more than once.

23. Stop doing what doesn't work.

Look for new things all the time. Study, offer, conduct negotiations, accept offers.

24. Everything good and new will be attacked and criticized. Get ready for it.

Perhaps after reading this book, you will want to share its contents with family or friends. But do not expect they will understand and approve your decision to start. People are afraid of new things, especially things they don't understand. It is much easier to continue to live in the usual way than try to risk for success.

25. Every day, with every dollar, you decide whether you will be rich, poor or middle class.

The choice is yours – to follow the customary tradition, to enter a university and get a diploma to please your parents or try yourself in something else. Take a chance and open your business and learn to invest. For example, I regret that I spent eight years of my life studying at university. Undoubtedly, these were the best years; I met good guys, made new friends, but learning took about 1/10 part of my life. I spent eight years just to get a piece of paper, which I can just throw in the trash.

26. Communicate more with people.

New acquaintances and communication will only bring benefits. This is a chance to find good friends and learn new useful information. Useful information is new opportunities.

In addition, take the time for family and loved ones. “Tomorrow” for some of them may not come.

27. Look for the positive in everything.

Whatever happens to you, no matter what difficulty you get – appreciate it. While it may be a negative experience, it is an experience. Try to never lose heart and tune in to success in advance. Do not think about the mistakes of the past but concentrate on the success and achievements in the future. What is the point of thinking about failures? Our energy goes where our thoughts go.

28. Get out of where you feel bad.

It was the best decision in my life when I left the hospital, the place where I desired to work. Moreover, I made this decision completely independently. I did not consult with anyone and did not ask for the opinion of others. And I absolutely do not regret it. It was simply impossible to work in those conditions. Some employees of the hospital had never even heard about ethics and deontology. And the idea that I would work for 100—150 dollars per month to the end of my days simply disgusted me.

29. Don't be afraid to hear “no.”

You will hear this word all the time. But “no” does not mean that everything is bad. You may have been refused collaboration with a company that will go bankrupt a week later. Be strong in spirit. So, this world is arranged. We can't always get what we want although committing to this is still necessary.

30. Don't be afraid to make mistakes.

We are all human, and we all occasionally make mistakes. This is normal. Our mistakes are experience. And there is nothing more valuable than your own negative experience.

31. Every morning, repeat to yourself: today is a wonderful day, and I will succeed.

A positive attitude from the morning will surely bring success. Don't think about how many difficulties are ahead and how much you have to do today. Be thankful that you woke up this morning and enjoy life.

In addition, such positive affirmations can (and should!) be used in relation to financial success. At least twice a day, repeat to yourself: “I am a rich and successful person. I always have a lot of money.” Affirmation should be short and bright; believe what you say. You'd be surprised, but it works. It costs nothing to try.

32. Always have your opinion.

Be able to say no, and don't let the crowd impose their point of view on you. It is our own opinion that makes us individuals.

33. Be self-disciplined.

Self-discipline is the connection between goals and their achievement. This is the foundation on which all success is built.

34. Be responsible for your own life.

If you want to achieve more, you need to become responsible.

35. The combination of desire, planning, effort and perseverance can always create a miracle. So, wish, plan and put in maximum effort. This is the only way to achieve success.

36. Impatience and greed are equally suicidal for success.

10—20% of profit, in the beginning, is already very good. Steve Jobs, too, once started a business in his home garage, and now one stock of the company he created costs more than \$200.

37. You are not a plant.

Unlike plants, you can always completely rebuild any sphere of your life. And it begins with your power of choice.

38. Sometimes, it is better to understate than to exaggerate, so that others are surprised by the best result. And even better – do not tell things to others, especially – if you are not asked. Happiness loves silence. Prefer listening.

39. It is better to receive income than salary.

Salary gives us a livelihood, and income makes us rich. When we work for someone, we work for money. We must do everything possible to ensure that the money works for us. Change your thoughts and acquire as many assets as possible that will fill your pockets.

40. Respect the 70/30 principle.

This is a well-known rule: defer 10% of net income, invest 10% and give 10% to charity.

I started charity work not so long ago, but I was surprised at how it affected my income. Remember: give what you want. But the main thing – it must come from the heart.

41. You need to choose – to be the best or settle for little.

By becoming the best, you can achieve the desired success. Settling for less is undoubtedly simpler, but this is not something worth trying.

42. DO NOT pay too much for low-value things. Do not buy unnecessarily.

You and I live in the era of consumerism, when consumerism has become a kind of pernicious addiction, oniomania is developing (an irresistible desire to buy something unnecessarily, for the pleasure of the buying process itself¹). For a person suffering from such an addiction, the goods lose their own significance and become only a symbol of involvement in a certain social group. The idea of possibly achieving social superiority through consumption gives rise in the mind of the buyer to the belief that the purchase act itself can deliver more satisfaction than the product. Human happiness is dependent on the level of consumption; consumption becomes the goal and meaning of life.² Don't let your happiness depend on purchases. Stay away from it. If necessary – make a shopping list before going to the supermarket in advance.

43. Be observant.

Keep an eye on new technologies, famous people, industry and financial news. Try to sort out this chaos. After all, think: if you knew about Bitcoin, for example, in 2010 and invested at least \$1,000 in it, now you would be a cryptomillionaire.

44. Watch TV less and read more.

I mean the news and stupid programs. There are only negative things in the news. And you need only positive and useful information. Read at least 10 pages a day, take it as a habit.

45. To get more, you need to become bigger than you are.

In developing spiritually and acquiring new knowledge and skills, you become more successful than others. Learn a foreign language, and go to a master class. You will see that there is more benefit from this.

46. Learn to hide your needs and show your skills.

No one is interested in knowing about your failures and difficulties. This is the last thing your friends and family want to hear. As for skill, it is better to leave it for later, for a “snack,” to surprise everyone at the right moment.

47. Time is the most valuable asset.

Separate the important from the secondary. Time is more valuable than money. You can make more money, but you won't have more time. Appreciate every minute.

48. You should not neglect opportunities.

Every day, we have new opportunities. When you read this book, you will have the opportunity to become financially independent. Look for opportunities where others do not see them.

49. You cannot always wait for the right moment; you just need to create it.

After all, there are no keys to happiness, and the door is always open. You just need to find your own and go into it.

50. Making money is the biggest mistake in life.

You need to do what you feel like and have the talent for, and if you succeed in this – you will have the money.

51. Rest as much as you need to recuperate.

Rest is necessary; you can't do without it. However, without your presence and participation, the business will not be successful.

52. Do not think long. A wrong solution is better than no solution at all.

Long reflections tire. Decisions must be made daily but try not to burden yourself with this.

53. Promise yourself that you will never give up; work as long as necessary.

Go to the end and don't give up. Put your thoughts in order, and you will see the world in different eyes.

54. Let what you say be just the tip of the iceberg compared to what you know.

People do not need to know everything the same as you. So, let them share useful information with you.

55. Skip lunch if necessary, but don't miss the book.

Reading is really very important. Books change destinies and change people. Reading 5—10 pages a day will not take too much time.

56. Think of winter in summer. Think about summer all winter. Do everything in your power.

57. Be motivating – encourage other people to act in their own interests. Be a manipulator – encourage people to act in your interests. Be a leader – encourage a person to act in your mutual interests.

58. Do not wish for simple success, wish to be better. Do not wish for fewer problems, wish for more skills. Do not wish for fewer trials – wish for more wisdom.

59. Compile reports on the work done.

This will eliminate the flaws.

60. Never demand anything.

The main task of the strike is to get more money. But you can't get rich just by demanding something. Therefore, achieve everything yourself.

61. Pay attention to your friends, family and your surroundings.

Friends and family are very important in our life. Do not forget about them. Try to find time for each of them.

62. Pay attention to culture, language, music, traditions, religion and spirituality.

No one is interested in communicating with an illiterate person. Therefore, it is necessary to develop yourself comprehensively. Find time for spiritual development.

63. You can control the present day, or it will control you. Choose: either you manage affairs, or affairs will manage you.

That is why planning, summing up and analysis of the work done is so important.

64. Success is nothing more than a few simple actions that need to be repeated every day, while failure is just a few mistakes that are repeated every day.

Only perform those actions that collectively lead you to success. Each of us makes mistakes; we are not perfect. But repeated mistakes mean that you do not learn anything.

65. The best motivation is self-motivation.

Achieving goals and success depends on the thoughts in your head. Think about what is waiting for you ahead – it will motivate you not to stop.

66. Every word that hurts us will make us better in the future.

Be able to forgive and forget. Grudges and bitterness are the last feelings that should overwhelm you. Our offenders will sooner or later get what they deserve.

67. If you are not sure about something – it's better to say, "it seems to me...".

Otherwise, in case of an error, your credibility will be lost. Once you have lost trust, it can be a daunting task to return.

68. Do not do what you have not been asked for. Do not talk about what you did not ask.

This is perhaps one of the best tips of all. I still sometimes forget about it. And the consequences are usually not the most pleasant.

69. Constantly think about what you want.

In addition, write down on paper all that you want to do and where you want to go. Periodically review this list and add something new to it. Check off completed items. Of course, thoughts alone will not be enough, but this way, you will direct your energy in the right direction.

70. Explain everything clearly and concisely.

The ability to communicate competently is essential for success. Do not take away you and other people's time.

71. Destroy your internal enemies: laziness, fear, doubt, indifference, indecision, anxiety.

Such qualities will continue to pull you down. So why not start getting rid of them today?

72. Develop punctuality, responsibility and perseverance.

These are the strengths of character that are necessary for each of us. Without them, success is not achieved.

73. Do not be depressed and do not complain – don't waste your time.

It's simple: If you do not like the place – go away, If you don't want to do it – say it. But do not waste time and energy on negative emotions.

74. Keep your own diary.

Plan your day. Write down your thoughts that seem important as well as ideas. One day, they may come in handy.

75. Be strong but not rude; be kind but not weak; be bold but not impudent; be thoughtful but not lazy; be humble but not timid; be proud but not arrogant; with a sense of humor but not stupid.

76. Justice, honesty, patience with people + discipline – the keys to success.

The main thing is not to become too soft. Otherwise, others will start to use it.

77. Every effort will be rewarded beyond all expectations.

So, do not be lazy, give it 200%. If plan "A" did not work, you still have at least 25 letters to try (depending on which alphabet you use).

78. Learn to be generous while you're still poor.

The more you give, the more life will give you. Do not skimp and do not forget about the 70/30 rule.

79. Be curious.

New information is all yours. But at the same time, care and attentiveness will not interfere.

80. Help those who do things poorly but try to do better and those who succeed and who want to achieve more.

81. Learning is the beginning of wealth. Learning is the beginning of health. Learning is the beginning of spirituality.

82. Take advice, not orders; give orders to yourself.

83. Wherever you are, be there.

Pay attention to what you do and the people you communicate with. Focus first on the process and then on the result. Be attentive to the little things.

84. Evaluate your environment by asking yourself three questions: Who am I among? What do these people do for me? What do these people make me do?

And if you find that your environment does not meet expectations – change it.

85. Develop the following qualities: determination, faith, resourcefulness, ingenuity, charisma, sophistication.

86. To solve a problem, ask yourself three questions: What should be done? What can I read about this? Who can I ask about it?

Another popular decision-making method is using Descartes square.

What will happen if this happens?	What will happen if this doesn't happen?
What won't happen if this happens?	What won't happen if this doesn't happen?

Descartes square

87. A problem that can be solved with money is not a problem; it is an expense.

In general, try to remove this word from your vocabulary, and the problems will start to disappear.

88. We cannot change the season, but we can change ourselves: to become wiser, better and stronger.

89. Choose an action, not a rest; choose the truth, not fantasy; choose a smile, not a gloomy face; choose love, not hostility. Choose the good in life.

90. Do not give yourself and others empty promises.

This will lead to a loss of confidence in you. If you promised – make every effort to complete the case.

91. Happiness is not what you save for the future but what you create now.

Think about it. You won't have another life.

92. Financial independence is the ability to live on the income of your own resources.

Therefore, make a decision now. The choice is always with each of us. Get off the couch and start acting. Acquire and create assets.

93. Learn from competitors.

Sometimes, it is very useful.

94. Success by 20% consists of skill and 80% of strategy.

Neglect of the business plan is fraught with negative consequences. Checked on this myself.

95. You need to be happy yourself to make others happy.

Still wondering why others do not want to communicate with you? Analyze what you usually say and how you say it. Try to avoid talking about how bad the government is and how hard it is to live. Talk about the good, even if you are sad.

96. Sometimes, we don't get what we want but what we need. So, do not ask: "Why me?" but think: "What for?"

97. All that you have now is the result of your actions.

To have something that you never had, you need to do something that you never did! And to know what to do, you must first change the source of information. Undoubtedly, the new series of "Game of Thrones" is very interesting, but it will be much more useful to open the website *cryptocompare* or *airdropalert*.

98. A successful outer life begins with a sense of success inside.

If you are fixated on the mistakes of the past, the difficulties of the present and possible obstacles in the future – there can be no talk of any success.

99. Do not be afraid to take risks.

The saying, "who does not risk, does not drink champagne" is quite relevant. I always remind myself of this. If you are afraid all the time, you will never be successful.

100. You owe nothing to anyone. Nobody owes you anything either.

Everything you owe is written in the tax code, and what you don't have to do is in the criminal code.

In the world, there is only one person capable of pulling you to the bottom or pulling up – this is yourself.

2. How to Set Goals

1. Think “in writing” on paper.
2. Limit your goal in time. A goal without a time frame is just a dream.
3. Form a goal in the affirmative form in the present tense.
4. Remove the particles “not,” “nor” from the lexicon when setting a goal. Say “I’m healthy” instead of “I never get sick.”
5. Divide the goals into sub-goals and prepare a detailed scenario for achieving them (determine the intermediate results of the goal achievement).
6. Think about the goal, not the difficulties on the way to it. Set the path and go.
7. Be responsible for your actions on the way to the goal.
8. Create an image of the future where you have already reached your goal and fix it.
9. Set big goals. It’s easier to get into them.
10. Behave as if success is guaranteed to you.

3. Recommended Literature

1. Robert Kiyosaki. "Rich Dad, Poor Dad."
2. Allan Pease. "Answers in Questions."
3. Dale Carnegie. "How to Make Friends and Influence People."
4. Robert Kiyosaki. "Cash Flow Quadrant."
5. Robert Kiyosaki. "Rich Dad's Guide to Investing."
6. Chance O. K. "Hot Ten."
7. Jim Rohn. "Vitamins for the Mind."
8. Tom Schreiter. "Secret Language of Attraction."

Movies recommended for viewing

1. The Secret (Documentary, 2006).

Watching this movie should not be postponed. If you don't understand it the first time – watch it again another day.

2. Rise and Rise of Bitcoin (Documentary, 2014).
3. Wolf from Wall Street (2013).
4. Founder (2016).
5. Big Eyes (2014).
6. Obsession (2013).

III. Practical advice

1. Investing in cryptocurrency

“Cryptocurrency is the currency of people’s monetary independence, and it is more than just a financial unit.”

Nick Spanos

For the beginning, a bit of terminology, interesting facts and history.

Terminology. Cryptocurrencies

Cryptocurrency is a type of digital currency, the creation and control of which is based on cryptographic methods. As a rule, accounting for cryptocurrency is decentralized. That is, the cryptocurrency does not belong to any government in the world. In addition, it does not belong to one particular person. Its operation is based on technologies such as blockchain. Transaction information is usually not encrypted and is available in clear text. To ensure that the base of the transaction blockchain is unchanged, elements of cryptography are used (digital signature based on a public key system, etc.).

The term was entrenched after the publication of an article about the Bitcoin system “Crypto currency,” published in 2011 in the journal Forbes. The very author of Bitcoin, like many others, used the term “electronic cash.”

Sometimes, a new cryptocurrency appears as a fork from another cryptocurrency due to changes in parameters, which makes them incompatible. In this case, both cryptocurrencies can have a common transaction history until the split. In addition to Bitcoin and Ethereum, which have probably already been heard, there are many other currencies. For example, on the coingecko service, information was collected on more than 3,500 coins and on the cryptocompare service, about 2000.

The emission of different cryptocurrencies can occur through mining, forging (minting) or ICO (I will discuss this later).

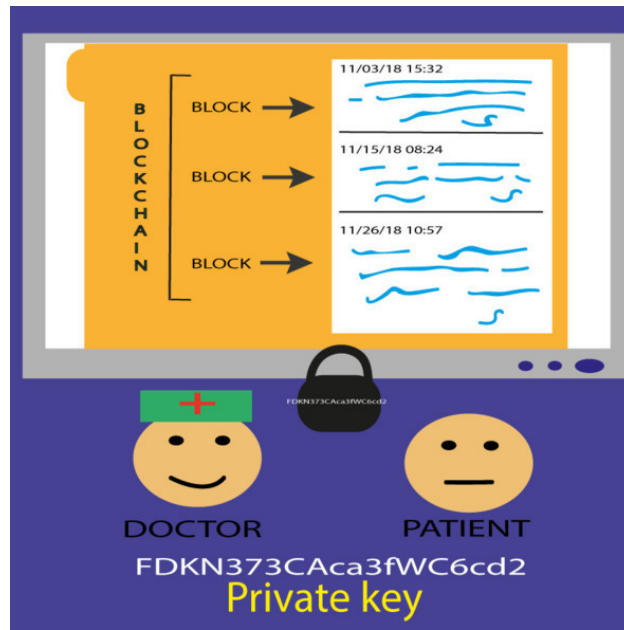
Discussions on the economic nature and legal status of cryptocurrency are underway. In different countries, cryptocurrencies are considered as a means of payment, a specific product may have restrictions in circulation (for example, the prohibition of operations with them for banking institutions).³ But it is worth noting that cryptocurrency has long been used in many countries and for many purposes. In Europe, it has already been paying for real estate and other small goods, while in some countries, it is planned and implemented to accept payments for utilities in cryptocurrency. Who knows how else the cryptocurrency will be used in a few years...

Blockchain

Blockchain – built by certain rules, a continuous, sequential chain of blocks (linked list) containing information. Most often, copies of block chains are stored on many different computers independently of each other.

The term first appeared as the name of a fully replicated distributed database implemented in the Bitcoin system, which is why blockchain is often referred to as transactions in various cryptocurrencies, but the blockchain technology can be extended to any interconnected information blocks. Bitcoin became the first application of the blockchain technology in October 2008.

Imagine a digital medical history: each entry is such a block. This entry has a label: date and time of entry. Initially, it is considered mandatory to ban retroactive change of records because it is necessary that diagnostic, treatment, etc. records did not allow different interpretations and remained in their original form. Only a doctor who has one private key and a patient who has another can access the records. Then this information will only be accessed if one of these users provide their private key (for example, to the hospital or an individual specialist). This is an example of how blockchain technology can be used in a medical database.



Blockchain is decentralized, and there is no one common “command center,” hacking that will succeed in destroying all the data about the transaction and its participants or changing them. Hacking one computer will not affect the integrity of the data on the others (as well as on their change).

Blockchain will be a good help for any services where users could worry about possible fraud or data integrity:

- Micropayments
- Bank operations
- Logistics
- Jurisprudence
- Medicine

I think blockchain is really the beginning of the fourth industrial revolution.

“Money is just a number. But it must be a reliable number. Digital currencies are based on the fourth industrial revolution, called the blockchain.”

Bin Henu

Application outside the scope of cryptocurrency

Education

At present, representatives of various spheres are interested in the blockchain technology. At the same time, the degree of interest of companies in different sectors of the economy varies considerably. The financial sector is actively preparing for the widespread introduction of the blockchain, while manufacturing companies are still ignoring this technology.

So, a team of scientists from Oxford, who founded “blockchain-university” Woolf University, announced the admission of the first students in early 2019, ABC News reported.

As planned by the organizers, their educational institution will offer a “learning system of the 21st century,” and using the blockchain technology to create a decentralized management structure will reduce student spending and increase teachers’ salaries. Forbes has previously described the initiative as “Uber for students and Airbnb for academics.”

“The Woolf blockchain was created in order to remove an intermediate level of bureaucracy from the process between the audience and the regulator. The platform offers students and teachers complete control over their personal data,” said Joshua Broggie, founder and director of Woolf University. According to him, the blockchain will allow organizing the learning process directly between students and teachers, often in a one-on-one format, while avoiding the difficulties traditionally associated with a very expensive university bureaucracy. In addition, the founders are confident that their institution will be the first in the world “University without borders.”

“We literally could not have achieved this without the blockchain. I really hope that this is the education of the future. Woolf aims to solve two big problems in the higher education system: auxiliary education and ease of access for students,” Broggi added.

He also noted that training at Woolf will cost \$19,200 per year, and the blockchain technology will make it possible to achieve “very substantial savings, which is very important for wide access.”⁴

Banking, Investment and Exchange

In the Russian banking sector, companies like VTB and Sberbank are interested in blockchain technology.

VISA, Mastercard, Unionpay and SWIFT payment systems announced the development and plans for using the blockchain technology.

The London division of Deutsche Bank Innovation Lab is developing a blockchain-based investment system that accelerates, simplifies and cheapens the investment process by eliminating or reducing the role of intermediaries, lawyers (attorneys), auditors and clearing agents.

In July 2017, S7 Airlines and Alfa-Bank launched a blockchain platform for automation of trading operations with agents based on Ethereum.⁵

On August 10, 2018, the World Bank authorized the Australian bank, the Commonwealth Bank of Australia (CBA) to issue the world’s first blockchain-based bonds. This was stated in a joint press release of the banks. The new blockchain-based debt instrument will be called “bond-i.” It will be launched after consulting with a wide range of investors who show great interest in it. The blockchain platform for bond-i was developed by the CBA Blockchain Advanced Technology Center.⁶

In early September 2018, the American company IBM, which is not only the world’s largest manufacturer and supplier of hardware and software, but also consulting services, announced the launch of the IBM Blockchain World Wire project. The payment blockchain system based on Stellar is positioned as an alternative, which is replacing a morally obsolete network for processing financial transactions that the world has been using for as long as 50 years. Integrating IBM Blockchain World Wire with existing payment systems, they said, will be able to “replace costly opacity with available transparency – and this will bring greater financial opportunities for all.” Thus, the brainchild of IBM and Stellar can compete with the traditional global payment system SWIFT.⁷

Land registry

Sweden, Ukraine and the United Arab Emirates are planning to maintain a land registry using blockchain technology.

The government of India is fighting land fraud with the help of blockchain. Andhra Pradesh was the first Indian state where the government took steps to implement blockchain solutions. For this purpose, a technology park is planned to be created in the city of Visakhapatnam with the participation of the blockchain companies Apla, Phoenix and Oasis Grace.

Identification

In 2014, Bitnation was founded, providing such services of a traditional state as ID, notary and some others.

In June 2017, Accenture and Microsoft presented the digital identity card system on the blockchain.

In August 2017, the Brazilian government began testing the identity system for the blockchain.

Finland identifies refugees with blockchain technology.

There is a blockchain e-citizenship system in Estonia.⁵

In September 2018, New South Wales, a state in the south-east of Australia, announced that they would transfer the state database of driver licenses to the blockchain. As part of the experiment, 140,000 drivers registered in the state will be transferred to the blockchain platform. If successful, the project will be distributed throughout Australia in 2019.

Transport

In May 2018, the Government of Malta began to actively introduce modern technologies in the country, starting with the deployment of a high-tech transport and logic platform using blockchain. This was stated in a press release from the Minister of Transport, Infrastructure and Capital Projects of Malta, Jan Borg: “We believe in Omnitude blockchain technology, its versatility and wide potential for government use. We see its potential in a number of government departments, and it will form the cornerstone of the technology platform as part of our commitment to introducing innovative technologies. This will improve the quality of life and increase access to information for Maltese citizens. Blockchain technology is a key part of our national technology strategy, which will allow us to transform various sectors.”

At the end of October 2018, the largest airline in Canada, Air Canada, announced its participation in the blockchain-based traffic distribution platform, which was developed by the Swiss startup Winding Tree. According to data released in the airline’s press release, Air Canada signed a letter of intent to participate in a decentralized platform for distributing open source traffic developed by Winding Tree. Thanks to the integration of the new blockchain platform, companies are striving to improve the distribution and sale of air transportation services.⁸

Means of payment

The World Food Program uses blockchain technology to provide refugees with food through local outlets and networks instead of directly distributing food or giving refugees cash to buy food. The idea belongs to Houman Haddad. Biometrics is used to identify recipients of food (iris scan). Savings in 2018 through the use of this technology in Jordan alone amounted to \$150,000 per month.⁵

In the middle of October 2018, the decentralized marketplace of real estate and land title registration, Propy, announced the first sale of real estate on the blockchain in Europe. The seller from Spain and the buyer from France made a deal to sell real estate in Seville, and the calculation was made in Ethereum cryptocurrency.

According to Natalya Karayaneva, CEO of Propy, the blockchain platform allows you to conclude an international real estate transaction in the form of an ordinary online transaction, which greatly simplifies the whole process.⁹

And these are just a few examples. In fact, the blockchain covers more and more areas of our life every day. Many (and I among them) believe that Blockchain is an important technological breakthrough that should accelerate the fourth industrial revolution.

*“Blockchain makes cryptocurrencies the inevitable future of money.”
Joseph Muscat, Prime Minister of Malta*

Bitcoin

And now I will tell you about the grandfather of all cryptocurrencies – about Bitcoin.

The emergence of Bitcoin was simply inevitable. Given that the gold standard was abolished in 1971, the economy became less stable, more prone to inflation, because the government can print money at its discretion that is not backed by gold. Money is now not backed up by anything. Bitcoin is also not backed by anything, but at least it is not controlled by the government, and the issue of coins is foreseen (21 million coins).

Bitcoin is a peer-to-peer payment system that uses a unit of the same name to account for transactions and a data transfer protocol of the same name. That is, this is both a payment system and a means of payment (if you do not go into the legal nuances of different countries). To ensure the functioning and protection of the system, cryptographic methods are used. All information about transactions between system addresses is available in open form.



How to start use Bitcoins

The minimum transmitted value (the smallest fragmentation value) – 10^{-8} Bitcoin – was named Satoshi in honor of the creator Satoshi Nakamoto, although he used the word “cent” in such cases.

By the way, Satoshi Nakamoto is a pseudonym, and there is no evidence that the creator of Bitcoin is from Japan. His famous report titled “Bitcoin: A Peer-to-Peer Electronic Cash System,” also called Bitcoin White Paper, was released on October 31, 2008.

Electronic payment between the two parties occurs without intermediaries and is irreversible – there is no mechanism for canceling the confirmed operation (including cases when the payment was sent to an erroneous or non-existent address, or when the transaction was signed by a private key that has become known to others). No one can block (arrest) funds, even temporarily, with the exception of the owner of the private key (or the person to whom he has become known) and with the exception of court orders (such precedents are already known). But the provided multi-signature technology allows you to attract a third party (arbitrator) and implement “reversible transactions.”¹⁰ No one controls Bitcoin, currency is emitted through the work of millions of computers around the world using a program for calculating mathematical algorithms.

For Bitcoins, you can also buy anything on the Internet, like for dollars, euros or rubles, and it also trades on exchanges. The most important difference between Bitcoin and all other forms of money is decentralization. This currency is not printed by the central banks and does not work according to their rules. Banks can issue as much money as they like to cover their national debt, thereby devaluing their currency.

On the contrary, the emission of Bitcoins is possible only in digital form, and anyone can begin to mine Bitcoins at any time. Bitcoin mining occurs through the use of computer power in a distributed network. When sending Bitcoins, transactions are processed by the same network, turning Bitcoin into an independent digital payment system.

Benefits of Bitcoin:

1) Decentralization – the process of sharing power, finances, or effort without the intervention of a global governing body. In the blockchain technology, the decentralization of control is because there is no local server in the system, and all the miners and participants in the chain of transactions are equal.

Developers do not follow the operations in the blockchain, and transactions are confirmed by network users. The technology involves the distribution of computing power and data across the globe, and the information is repeatedly duplicated to prevent loss, and DDOS-attacks on such a system have zero or minimal effect.¹¹

2) The ability to send directly to anyone at any time.

3) The amount sent is almost unlimited.

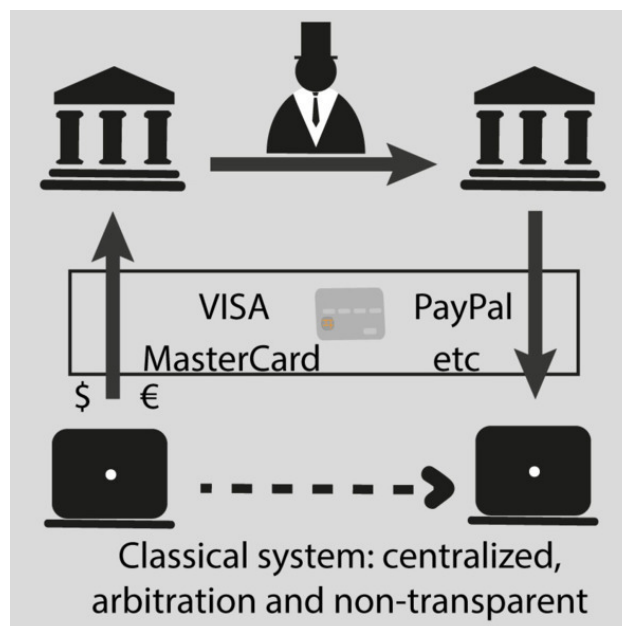
4) Low commissions.

5) Nobody can block your account.

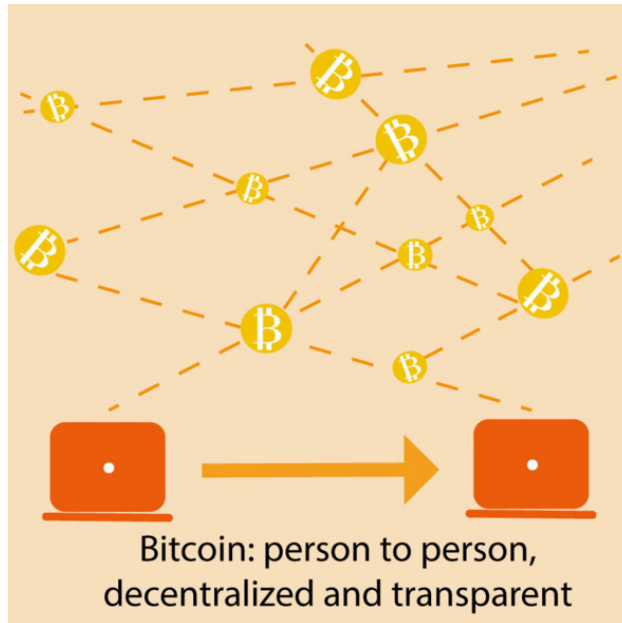
6) The transaction system can not be deceived or destroyed. Each transaction is confirmed by several independent nodes, which makes it impossible to substitute data or bribe the verifiers.

7) Anonymity.

8) Bitcoin is not subject to inflation.



Classical system



Bitcoin network

The use of Bitcoin and cryptocurrency in the world

Since October 2017, the Swiss University of Applied Sciences and Arts in Lucerne has been accepting Bitcoins. The government agency takes the cryptocurrency as a payment for student accounts via Bitcoin Suisse AG. The university itself does not work directly with digital currency – a brokerage firm will convert incoming payments into Swiss francs weekly. Also, the intermediary assumes all risks associated with exchange rate fluctuations. The University of Lucerne is not the first institution that accepts payment in Bitcoins. Earlier, a similar decision was made by the Royal College of New York and the University of Cumbria in the USA.¹²

In April 2018, it became known that the University of São Paulo, the largest institution of higher education in the financial center of Brazil, is launching a course on cryptocurrency. The course is launched against the background of a growing coverage of the topic of cryptocurrencies by Brazilian universities. The Sao Paulo based charitable foundation (Fundacao Getulio Vargas) announced that it would be the world's first master's degree in cryptocurrencies.¹³

On July 23, 2018, there was news that the South Korean company Samsung, which is one of the world leaders in the development and production of telecommunications equipment, household appliances, as well as audio and video devices, will sell its products to customers in Tallinn, Riga, Vilnius and Kaunas with cryptocurrency. As the Lithuanian cryptocurrency payments platform CopPay reported, Samsung's branded outlets will accept payments in Bitcoins, Litecoins, Ethereum, XRP, Dash, NEM and Steem. In addition, in the near future, cryptocurrencies will be accepted as a settlement tool in Samsung online stores. Samsung has long been working with the cryptocurrency sector. In January 2018, they announced that they would start producing video cards for mining. In April, the company reported an annual increase in production profits of 58% in the first quarter of 2018, which was partly due to the demand for mining chips.

In addition, Samsung uses the blockchain to manage its global supply chain. According to a Bloomberg report published in April 2018, the electronics industry trusts this technology to ship goods worth tens of billions of dollars a year, which reduces transportation costs by 20%.

A survey showed that small business owners believe that within two years, cryptocurrency payments will become a reality in the mass market segment. In turn, a study by eToro and London's

Royal College indicates that cryptocurrencies can become the accepted means of payment in the next ten years.¹⁴

In early September 2018, the Japanese real estate company Ruden Holdings announced the results of its own experiment, in which it tested its recently created “platform for the real payments in cryptocurrency.” The experiment began with the seller indicating the property for sale, and the buyer – the application for the purchase. After, the buyer filled out an offer to purchase the property, which was confirmed by the seller.

“Then the buyer sent the virtual currency (Bitcoin) to the virtual currency account of Ruden. As soon as the Ruden (system) confirms the transfer of the virtual currency, we execute the contract and [convert] the virtual currency to Japanese yen. In addition, the notarized purchase and sale agreement is immediately transferred to the buyer and seller,” – told in Ruden Holdings.¹⁵

Back in 2013, the popular British newspaper The Guardian called Berlin “the Bitcoin-capital of Europe.” Since then, Fin-tech has continued to expand in a European city. Today, in Berlin, you can buy real estate for cryptocurrency, book a trip or drink and eat in a large number of trendy bars. You can even get an education for cryptocurrency. In December 2016, the European School of Management and Technology (ESMT) was one of the first to start accepting payments for its courses in various cryptocurrencies. They currently accept Bitcoin, Ether, Litecoin and Dash. The Financial Director of ESMT, Georg Garlich, explained to journalists why the school started accepting cryptocurrencies: “Like SMS, digital currency allows you to make international money transfers within a few minutes without a bank. ESMT is an innovative and future-oriented business school.”

Bitcoin payments have been popular in Berlin for some time. Leuchtstoff Kaffeebar is one of those cafes where you can drink a cup of invigorating espresso and pay for it with cryptocurrency. For owners such as Niels Götsch, digital currencies are exciting innovations and no additional bank fees: “There are no political solutions. The algorithm is completely transparent for everyone,” he admires with cryptocurrencies. What to say about the IT sector, where cryptocurrency turnover has become a matter of course. However, despite the European tolerance for cryptocurrency, Europe has not become the market leader. Today, the lion’s share of all operations with Bitcoin and other cryptocurrencies is in Asia, which sets the tone for the market.¹⁶

However, it is good that recently Bitcoin almost got the status of a monetary unit in Germany. This is how the local regulator of the German Federal Financial Supervisory Authority (BaFin) interpreted cryptocurrency. However, the court quickly “corrected” the situation and noted that the authorities of the country cannot interpret the laws as they please.¹¹⁰

In the USA, it has recently become possible to purchase coffee at Starbucks for Bitcoin.

All these examples are also just the tip of the iceberg. In fact, Bitcoin is gaining momentum every day. It is believed that the most loyal to Bitcoin countries are the USA, Canada, Germany, the Netherlands and China. There is information that payments are made in Bitcoin by the computer corporation Microsoft, the developers and manufacturers of computer systems DELL, the ticket search service Expedia, and the airline airBaltic.¹⁷

According to cryptocompare.com, Bitcoin’s market capitalization is more than \$110 billion. According to coin. dance, Bitcoin is allowed in 110 countries, and its price has increased by + \$6,565.05 or +132,895.75% over the past 7 years. And according to the report of the company Diar, venture investments in the blockchain and cryptocurrency increased by 280% – investments almost tripled in the first three quarters of 2018.

Violence against cryptocurrency owners

Unfortunately, there has also been violence in the field of cryptocurrency. After all, cryptocurrency owners are owners of big money. And where there is big money – there will be swindlers and criminals.

So, on July 9, 2018, Bitcoin Core developer Jameson Lopp launched a repository (github.com/jlopp/physical-Bitcoin-attacks) in which he collected and documented cases of physical violence against Bitcoin owners from both criminal elements and law enforcement agencies. The resource is available on GitHub and currently holds more than 40 different incidents that took place since December 2014, when police special forces broke into Hel Finney's house in Santa Barbara. He is a famous American programmer and one of the first Bitcoin users; he received the first Bitcoin transaction of 10 coins from the creator of the project Satoshi Nakamoto.

The list also included incidents that occurred throughout the world, including cases of extortion of cryptocurrency under the threat of death, theft from Bitcoin ATMs and theft of mining equipment.

The list includes the abduction of the leading analyst of the EXMO cryptocurrency exchange, Pavel Lerner in Kiev at the end of 2017, the robbery of the founder of the “Kryptach” YouTube channel Pavel Nyashin (Makushin), who unfortunately was found hanged, stealing \$100,000 in Bitcoins from Russian blogger Maxim Lotsok on the island of Phuket in Thailand, as well as the theft of 300 BTC from one of the creators of cryptocurrency Prizm Yuri Mayorov in April in Moscow.

As Jameson Lopp (one of the most well-known developers of Bitcoin), whose home in North Carolina in October 2017 was nearly taken by assault by US special forces, notes, 23 of the listed incidents involved physical violence. And only in one case could the victim of the criminals defend himself successfully – this is about localbitcoins trader Ryan Rice from Miami, who they tried to rob during a deal to sell Bitcoins.

One of the last documented cases of attempted robbery was recorded on October 15, 2018 in Oslo, Norway when a 24-year-old man was murdered in his home after exchanging large sum of BTC.

In addition, on December 15, 2017, representatives of the main investigative department of the Security Service of Ukraine (SBU) with two witnesses entered the apartment of the founder of ForkLog Anatoly Kaplan in Odessa to start the search. Formally, the basis for the search was the criminal proceedings against a group of persons from the United States and Ukraine, who, according to investigators, developed a criminal scheme to seize money from third-party payment cards. During the search, the SBU officers seized several devices with cryptocurrencies stored on them, a laptop and other personal belongings of Anatoly Kaplan. At the same time, one of the officers of the Security Service of Ukraine (SBU) attempted to withdraw Bitcoins to his wallet during the search. Also, the very next day, 305 ETHs were withdrawn from Anatoly's Ethereum wallet. At the same time, the search took place at the ForkLog office in Odessa, and as a result, the company's cash, all the equipment (about ten iMac devices) and a bottle of Kraken rum were confiscated.¹⁸

I hope the criminals got what they deserved, and the Jameson Lopp repository will no longer be replenished.

A brief history of Bitcoin. Interesting facts

Perhaps, after reading a little bit, you will have your own, independent opinion about Bitcoin. I really hope that you will see the advantages of Bitcoin over ordinary fiat (paper) money. I want you to also realize what benefits you can get from it. Of course, you should not invest all your savings in Bitcoin. But, as it seems to me, this asset should appear in each of our investment portfolios.

If you want to learn a little more about Bitcoin, I recommend that you watch the documentary “Ascent of Bitcoin” (2014), as well as the movie “State VS Bitcoin” from BitNovosti. A lot of useful information can be found also on the website Bitcoin.org. And if you don’t have much time, I’ll briefly tell you about its appearance. So, the author and developer of Bitcoin is a kind of mysterious Satoshi Nakamoto (perhaps this is even a group of people). Until now, virtually nothing is known about him, and the creator has never appeared to the world.

In 2008, a file was published in the network with a description of the protocol and the principle of the payment system in the form of a peer-to-peer network. According to Satoshi, the development began in 2007. In 2009, he completed the development of the protocol and published the code of the client program.

On January 3, 2009, the first block and the first 50 Bitcoins were generated. The first Bitcoin transfer transaction took place on January 12, 2009 – Satoshi Nakamoto sent 10 Bitcoins to Hal Finney. The first exchange of Bitcoins for national money occurred in September 2009 – Martti Malmi sent to the user with the alias NewLibertyStandard 5050 Bitcoins, for which he received about \$5 in his PayPal account.

The first exchange of Bitcoins for real goods occurred in May 2010 – the American Laszlo Hanyecz received 10 pizzas from delivery for 10,000 Bitcoins.¹⁰

On May 22, the Bitcoin community around the world celebrated the so-called Pizza Day, which can also be fairly called the most expensive pizza in the world during the day. It was on this day, May 22, 2010, that a Las Vegas programmer, Laszlo Hanyecz, with the help of the Bitcoin Talk forum, paid for two Papa John’s pizzas, not with traditional money, but with a little-known cryptocurrency at that time called Bitcoin. Buying two pizzas cost him 10,000 BTC, which at that time, was about \$25. At the moment, at the current rate, it would be about \$34 million.

In this book, I want to pay more attention to recent events, when interest in Bitcoin has grown dozens, if not hundreds of times.

So, at the beginning of September 2017, the Chinese documentary film “Bitcoin: Shape the Future,” created by the Bitkan cryptocurrency exchange, was shown at the BTC & Blockchain Summit in Beijing. You can get acquainted with it on YouTube. The Bitkan film tells the revolutionary story of Bitcoin through the eyes of the Chinese community. The film also presents the work of manufacturers of ASIC, large mining pools and the largest international Bitcoin exchanges. The company reported that they managed to make the film informative, going into details about the emerging cryptocurrency economy, using a unique video series and interviews with China’s most famous Bitcoiners.¹⁹

On October 12, 2017, the Bitcoin rate reached \$5,216.2 for 1 BTC (according to the Bitfinex exchange). Cryptocurrency capitalization was \$84.7 billion.

On November 20, 2017, the Bitcoin course broke all existing records, rising to the level of \$8,082. On November 20, 2016, Bitcoin showed a maximum of \$760. It turns out that the price increase in percentage was 1063% in one year. There were several reasons for this: On April 1, 2017, Japan officially recognized Bitcoin as a means of payment. In addition, options on futures and ETFs became the main topics in the news (CBOE expected to start trading in Bitcoin futures on December 10, 2017). Investments in Bitcoin became available to everyone: from banks and insurance companies to governments.²⁰ I think this is just incredible growth. No asset is capable of such growth.

In early December 2017, the US Futures Trading Association requested the regulator to cancel the start of Bitcoin futures, since the use of a self-certification scheme for such new products “does not correspond to the potential risks that underlie such trading.” It is believed that the US Futures Trading Association lobbies the interests of large banks and brokers, including Goldman Sachs, Morgan Stanley, JPMorgan and Citigroup.²¹ And yet, I doubt that the leaders of these financial organizations did not know what effect the start of Bitcoin futures trading would have on the Bitcoin price.

On December 10, 2017, the largest US options exchange, CBOE Global Markets (it accounts for more than 51% of option trading in the United States and 91% of all index options) launched trading in Bitcoin futures. After 10 minutes, the site of the exchange “fell” under the onslaught of an incredible number of visitors. The leaders of many of the largest banks were seriously concerned about such a loud arrival of Bitcoin on Wall Street. As you know, some bank leaders and industry leaders have publicly ridiculed Bitcoin in recent months, calling it a bubble, a pyramid, banal fraud, and a “money laundering index.” Now imagine that these same investment banks start helping clients to invest in cryptocurrencies – this could be a serious blow to the reputation of the bank.

Bankers are frightened by Bitcoin’s volatility, which is a serious danger for the bank – its price can change dramatically in a few minutes, and there is no accepted model to account for it on the balance sheet.

The letter from the Futures Industry Association, which appeared in early December, said that the CBOE and the CME Group began trading in Bitcoin futures without proper consideration of risks.²²

Earlier, analysts noted that the launch of Bitcoin futures could lead to the collapse of the cryptocurrency rate as large institutional investors (banks, insurance, investment funds, etc., that is, financial giants who have many years of investment experience) can start playing on lowering. However, the Bitcoin rate for the morning of the next day was \$16,231 at the Bitfinex exchange. The first day of trading on CBOE Global Markets for Bitcoin futures went well. By the end of the day, 3969 contracts were sold and purchased. During the day, futures went up by \$3,545 to \$18,545. The price of Bitcoin also increased.²³ Everything seems to be going well.

But after a few days, Stephen Gandel (Bloomberg columnist) noted: there are already some signs that not everything is going smoothly. There was a decrease in the price of the January contract by \$815, and the trading volume decreased several times. It was a constant and unusually large gap between the price of Bitcoin and futures contract.²⁴

On December 17, 2017, the weighted average rate of the most popular cryptocurrency in the world, Bitcoin, reached a new psychological mark of \$20,000 with a capitalization of \$334.5 billion. But at 5:00 pm on the same day, the first trading in Bitcoin futures at CME began. Already on December 19, the price of Bitcoin began to plummet.

Many people believe that Bitcoin futures were created in order to keep the price and prevent ordinary people from getting rich, as well as to keep stocks and bond markets at a high level. Fiat currency should not lose its value. In addition, all conditions must be created so that large investors can buy at a low price.

Is there a Cartel?

The version with the artificial collapse of the cryptocurrency market has long ceased to be a theory from the sphere of the universal conspiracy.

There is even an opinion about the existence of a certain “Cartel” which includes the most influential people of the planet and financial giants. It is believed that they decided to subjugate the decentralized cryptocurrency themselves to sow panic, and provoke a massive sale of Bitcoin for its subsequent purchase. After all, it is not surprising: in connection with the rush around Bitcoin, there were many interested parties in its acquisition, including institutional investors. This resulted in an outflow from the stock market. In addition, ordinary people were able to get rich with the help of Bitcoin. Financial giants didn’t want it. Only the favorites can be in the circle of the favorites.

I can not say with certainty that the Cartel exists. But, if you think carefully and look at the graphics, it is quite likely. Although there is a more popular and accepted opinion that the price reduction is nothing more than the usual correction.

But here are some more thoughts of another cryptoinvestor.

He says that institutional investors expect regulation and understandable instruments in the crypto market. And now every crypto holder hopes that institutional investors are about to enter the market, and the BTC will fly up. But the less people on board the ship, the greater the income of the giants, so they definitely will not tolerate extra ones on board.

In order to knock out the weak, they have methods that have long been proven in other markets. They are not in a hurry; they act in cold blood and with the help of a knurled pattern.

Phase 1. Sharp price reduction.

Media is bought, the first impulse movement is being made, and then panic takes the weakest hands out of the market. This phase was from mid-December 2017 to early February 2018.

Phase 2. Lateral movement.

After the completion of the first phase, recovery takes place; many are overbought, and another dump goes on, which goes into long-term lateral movement. The purpose of this long-term lateral movement is to squeeze the rest of the holders. For institutionalists, half a year or a year is not a deadline at all; this is an instant, they don’t need to buy food with this money, unlike ordinary people, so they are ready to wait in cold blood while the others literally eat up their deposits.

Phase 3. Flaccidity.

After the lateral movement, ordinary investors lose interest in the cryptocurrency. Requests in Google are at the minimum values, and HYIP finally fades away. Leaders of crypto opinions, experts and bloggers are beginning to change their position. At this time, even strong investors sell out.²⁵

He sums up that the institutionalists entering the market do not at all want to make us rich; we are competitors for them. He believes that the excitement around cryptocurrencies will flare up with even greater force only after the institutions themselves enter this market.

He also says the following: “If you have a depressed emotional state from a drawdown, then this is normal, as it is caused more than once by a worked-out scheme. Shift the focus from the fact that the rate falls to those earning opportunities that the market now opens before us.”²⁵

To understand in more detail what is what, and whether there is a probability of the existence of the Cartel, let’s return to the main events that have occurred in the world of cryptocurrencies since the beginning of 2018.

On January 23, 2018, the rate of the most popular cryptocurrency dropped to \$9 955 on the Bitfinex exchange. It was believed that the reason for this was the news about the strengthening of the regulation of the cryptocurrency market by the authorities of China and South Korea. It also became known that the South Korean stock exchanges, working with cryptocurrency, will give a quarter

of their profits to the state. There was also unrest in the West. Goldman Sachs, one of the world's largest investment banks, began sending out a warning to the major customers about the danger of a "cryptocurrency bubble."²⁶ However, we should not forget that on January 17, the first in the history of Bitcoin futures on the Chicago Stock Exchange (CBOE) expired. At CME, the second exchange representing the possibility of trading in cryptocurrency futures, the expiration of the first contracts expired on 26 January. And two days after this, the price of Bitcoin again rapidly crawled down, dropping on February 5 to the level of \$6,900.

Well-known analyst and investor, Brian Kelly said at the end of January 2018 that falling prices "are incredibly healthy for the ecosystem; you shake out weak hands, and you get strong hands." This is exactly what institutional investors and financial giants need.

In early February 2018, the statements of the Ukrainian businessman and investor, Mark Ginsburg on this issue are very interesting. According to the entrepreneur, the main reason for bringing down the Bitcoin course are centralized actions by financial institutions, banks and hedge funds.

Mark Ginsburg recalls that one of the reasons that sharply collapsed the cryptocurrency market was the deliberately false rumors that South Korea wanted to impose a ban on cryptocurrency, which were avalanche-like in social networks and in the media. (For example, on February 7, unknown persons broke into the Chinese regulator's mail server and sent an invitation to a press conference in China to leading news media, during which they allegedly had to inform journalists of the official ban on all cryptocurrency operations in the country, including mining. In addition, on February 1, it became known that the news about the prohibition of cryptocurrency in India, which was actively disseminated in the media and significantly affected the decline of the Bitcoin rate, turned out to be a fake deal.²⁷)

In fact, it was only a matter of changing the rules of regulation in China. "All financial institutions, banks and other serious companies ... try to sow panic so that 'hamsters' (ordinary people without experience and big financial opportunities who wanted to try their hand at playing on the market) leave the markets, and then they could buy all for a small cost. And then later, the course will rise again, and they will get their profit," Ginsburg said. "Cryptocurrency is one of those systems that has independent properties. In this case, there are many factors that are too difficult to realize for a simple user. Not it's worth sowing an extra panic. Last year, the Bitcoin rate fell by 30% five times, but then it continued to grow. And now the situation will not be an exception. Smart people already know what's going on," Ginsburg concluded. He advised not to sell Bitcoins and wait.²⁸ This is one of the most useful tips you can hear now. I hope you have much more enthusiasm.

Further – more interesting. On February 8, 2018, the creator of the RightCoin project and lawyer, Alexander Treshchev declared that an article published by Bloomberg about mathematicians from the University of Pittsburgh, who, using a mathematical model, concluded that cryptocurrency will never stabilize and is a typical "bubble," is nothing but an attempt to crush the cryptocurrency market. Treshchev noted that no mathematician can predict such a probability, not so much because of the laws of mathematics as the emotions at work on the market. According to the expert, behind this publication can be large bankers who want to derail the course of cryptocurrency and cash in on it. "The banks themselves began to play in this market and appeared with their cryptocurrency 'bulls' and 'bears.' Banks are now quietly buying cryptocurrency at the lowest rates. This is a manipulative-speculative market, and all the emerging information is to mislead ordinary people... It is the banks that are specifically destroying the market so that it is cheaper to buy cryptocurrency and enter this market," Treshchev concluded.²⁹ I think it's good that I read this news. When you collect information in parts, the overall picture emerges.

Attempts to crash the market did not end there.

During an interview with CNBC on March 6, Kenneth Rogoff, a Professor of Economics at Harvard University, who previously served as chief economist at the International Monetary Fund, said that the rate of the first cryptocurrency would gradually fall under pressure from the governments of leading countries and eventually reach \$100. “I think that the cost of Bitcoin will be a tiny part of what it is now. After 10 years, the price of \$100 will be much more likely than \$100 thousand,” he said.

The expert drew attention to the fact that today almost no one uses Bitcoin as a means of payment and in the future, cryptocurrency will continue to be criminalized, turning into a tool for money laundering and tax evasion. A Harvard Professor of Economics also noted that regulation by the governments of large countries will significantly affect the value of digital money, but the authorities need to develop a global control system.³⁰ March 6, the price of Bitcoin began to decline rapidly again.



On March 11, 2018, there was news that the Working Group on Binary Options of Canada and the FBI were trying to convince Google to ban advertising related to binary options, ICO and cryptocurrency in principle. However, the Internet giant turned out to be less compliant, in contrast to the popular Facebook social network, which at that time had already banned the advertising of the cryptoindustry. Jonah Roy, Senior Inspector of the Securities Commission of Manitoba and Chairman of the Working Group on Binary Options in Canada, spoke about negotiations with Google. He also clarified that it is the Working Group and the FBI that stand behind Facebook’s decision to ban advertising related to binary options and cryptocurrencies. “It so happened that the Binary Options Working Group of Canada, as well as the FBI, told Facebook about their concerns and that ordinary people end up suffering from this advertisement. I hope that Google will adopt a similar policy for products such as binary options, ICO and cryptocurrency,” Roy said. However, Google at the time did not hurry to follow the policies of Facebook and Instagram.³¹ Nevertheless, this news then hit hard at the price of Bitcoin. Already on March 14, the price of Bitcoin was about \$8,100 at the time of market closure. And later, in June, a ban on advertising from Google did appear, which again negatively affected the price of the first cryptocurrency.

On March 12, Zhou Xiaochuan, head of the People’s Bank of China, announced the official position of the central bank in relation to public and private cryptocurrencies. Zhou said that the central bank of China does not like “speculative cryptocurrency products;” therefore, the Central Bank does not officially recognize digital currencies, such as Bitcoin and aims to enhance regulatory actions. At the same time, the head of the Central Bank of China noted that digital currency is

technically inevitable, but cryptocurrencies have significantly deviated from their initial goals, aimed at improving cash security and reducing transaction costs. Zhou believes that the focus is now on speculation and fast schemes aimed at instantaneous enrichment.³² I think he is right, as now many people really enter this market only for the purpose of rapid enrichment. Moreover, most of these people do not really understand what products they are investing in.

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