Virtual Currency VC

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Questions

1. What is the First Crypto Currency to Exist?

2. Crypto Currency runs on a _____?

3. What is the difference between Centralized and Decentralized Crypto Currency?

4. What is an example of a Crypto Tracing Tool?

Objectives

1. Define Virtual Currency.

2. Discuss History of Bitcoin.

3. Identify widely used Alt Coins.

4. Describe Exchanges vs Dexs and Mixers

Virtual Currency

Digital Representation of Value

Can Function as a:
- Medium of exchange
- Store of Value
- Unit of Account

Expert Lloyd Ostertag Explains

History of Bitcoin

Bitcoin White Paper-2008
First Bitcoin Minted in 2009

HOW TO MAKE A MINT: THE CRYPTOGRAPHY OF ANONYMOUS ELECTRONIC CASH

Laurie Law, Susan Sabett, Jerry Solinas

National Security Agency Office of Information Security Research and Technology

Cryptology Division

18 June 1996

The Goal: Create a P2P Electronic Cash System

What is Bitcoin

▶ **Electronic form of value**

- **Decentralized**

- **Runs on Blockchain (Ledger)-Public**

The blockchain is a distributed, public ledger that contains the history of every bitcoin transaction. Anyone can download a copy of the blockchain, and it can be inspected to trace the path of bitcoins from one bitcoin transaction to another.

- **Public/Private**

- **Largest market Cap (Coin Marketcap)**

Bitcoin Wallets

1
3
bc1

Public Key= Account Number = Wallet Address

1JiM5kNbXvX7bG5uBVNpV1rvpnfU4dcLpN

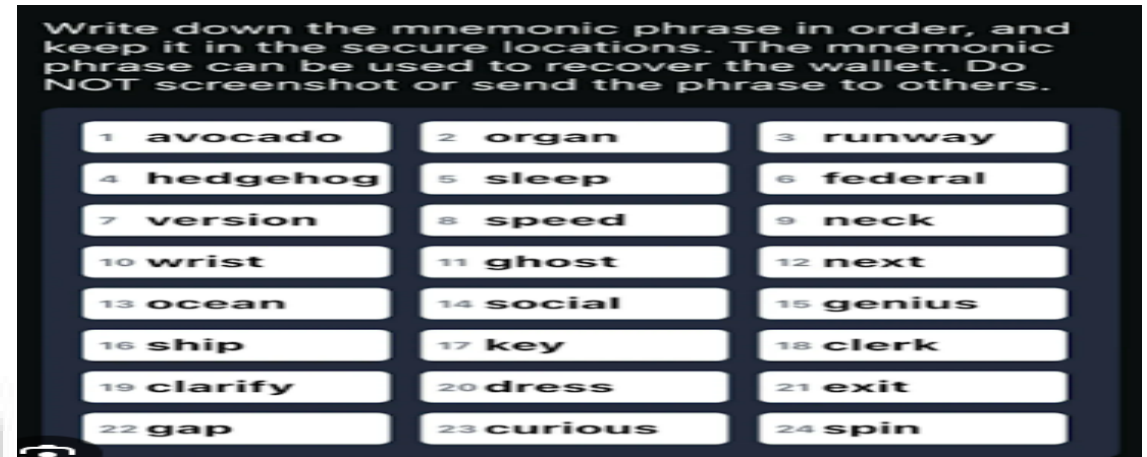# Private Key

Private Keys = Super Password = Seed Phrase = Keys

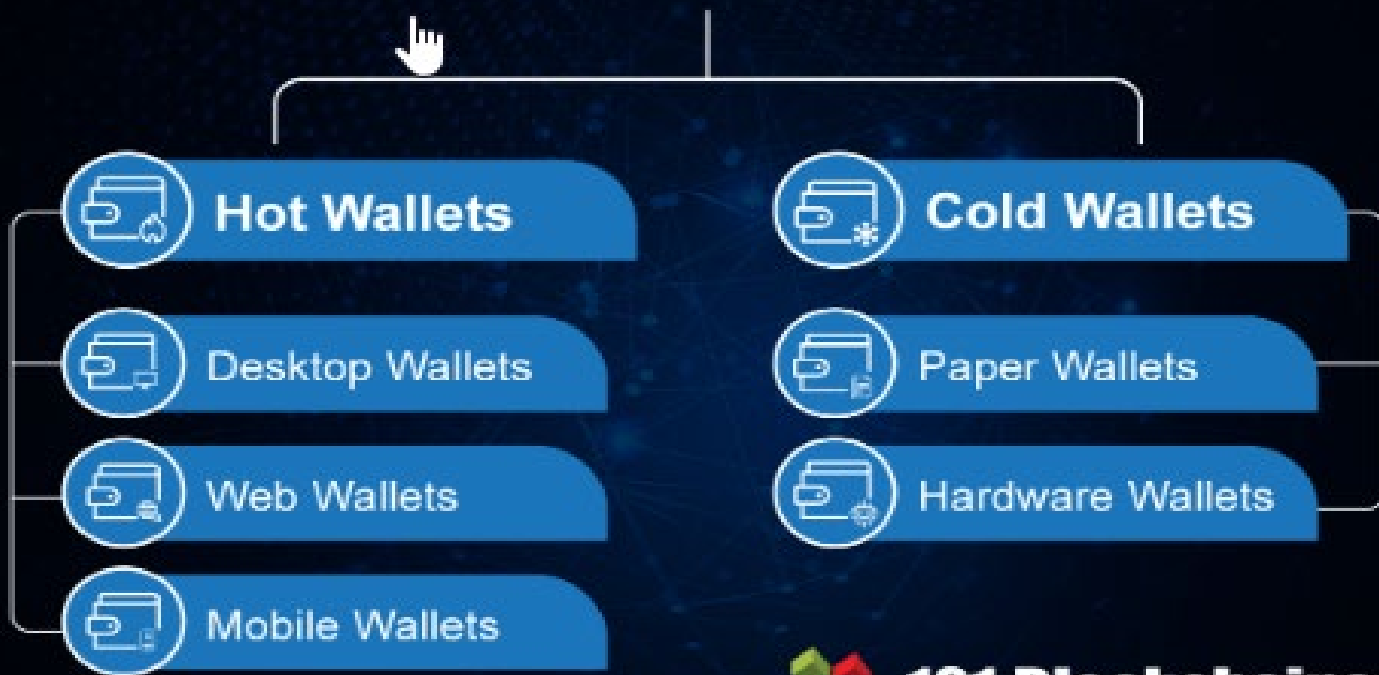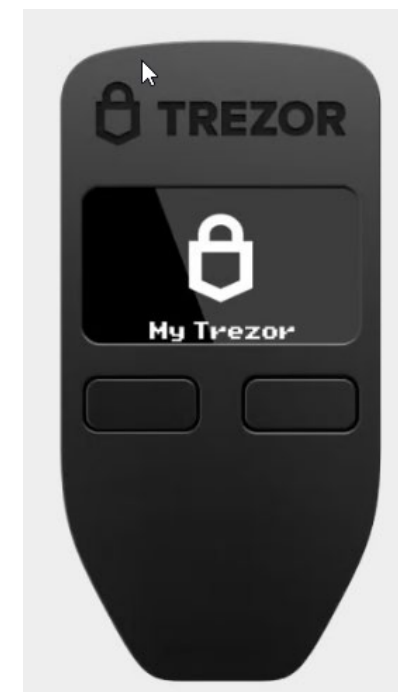5JdiY2Q2jLL6QD9Mf7Br3nKHi3VqTkkfhhh4XzstvQTCKc9X9FE

Write down the mnemonic phrase in order, and keep it in the secure locations. The mnemonic phrase can be used to recover the wallet. Do NOT screenshot or send the phrase to others.

1 avocado	2 organ	3 runway
4 hedgehog	5 sleep	6 federal
7 version	8 speed	9 neck
10 wrist	11 ghost	12 next
13 ocean	14 social	15 genius
16 ship	17 key	18 clerk
19 clarify	20 dress	21 exit
22 gap	23 curious	24 spin

multibit.wallet   8/24/2013 5:41 PM   WALLET File   20 KB

Bitcoin wallets

TYPES OF CRYPTO WALLETS

Hot Wallets
- Desktop Wallets
- Web Wallets
- Mobile Wallets

Cold Wallets
- Paper Wallets
- Hardware Wallets

101 Blockchains

Storage

HOT WALLET VS COLD WALLET

MetaMask
Software

METAMASK

PUBLIC ADDRESS — PAPER WALLET — PRIVATE KEY
draglet

TREZOR
My Trezor

coinbase

Blockchain

www.blockexplorer.com
www.blockchair.com
www.blockchain.com

The blockchain is a distributed, public ledger that contains the history of every bitcoin transaction. Anyone can download a copy of the blockchain, and it can be inspected to trace the path of bitcoins from one bitcoin transaction to another.

Transaction Hash= Wire Transfer Details

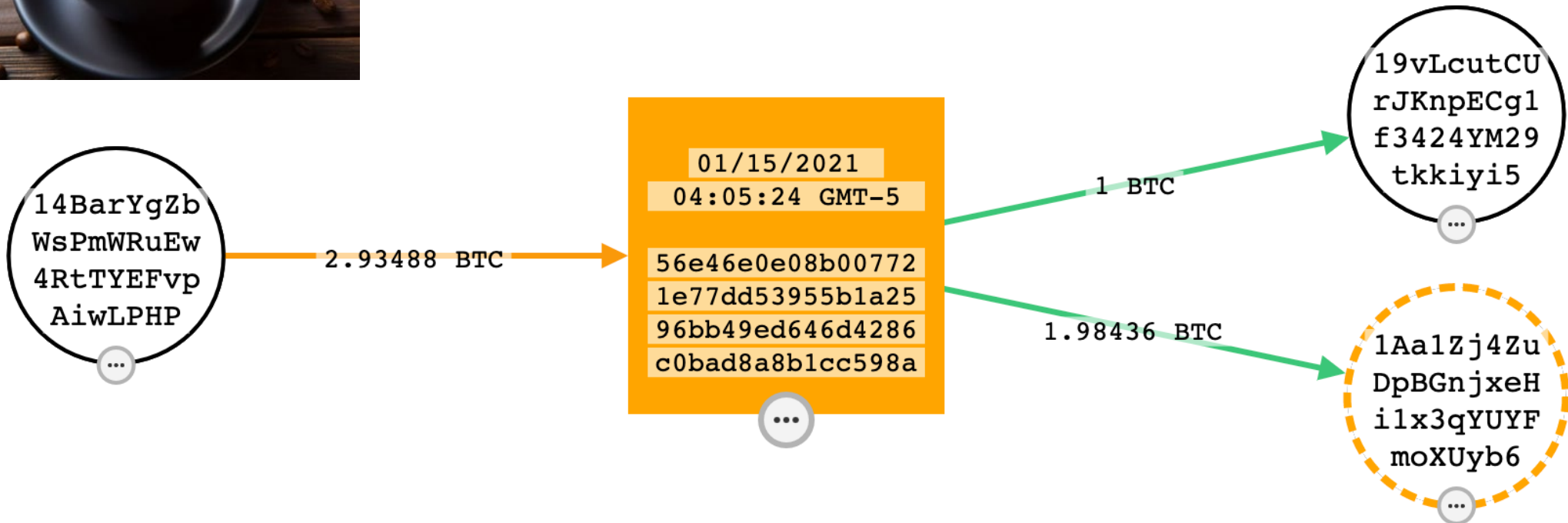| Hash	96d7a1eab895f9cacf23e86c98ab263e0794253faaf661d3fd3b98cc68c0...			2022-02-14 12:46
	1FWQiwK27EnGXb6BiBMRLJvunJQZZPMcGd	5.13592264 BTC ➡	1FWQiwK27EnGXb6BiBMRLJvunJQZZPMcGd	5.11342264 BTC
			1P48fzLBCfhn19w88Hd7t8sPg3uoQiGEqz	0.02200000 BTC
Fee	0.00031920 BTC (127.680 sat/B - 47.642 sat/WU - 250 bytes) (190.000 sat/vByte - 168 virtual bytes)			0.24471458 BTC
				3 Confirmations

Bitcoin Transaction

$4.99

$4.99

CHANGE = 5.01

Change/ Clustered Wallets

1 BTC

14BarYgZb WsPmWRuEw 4RtTYEFvp AiwLPHP

2.93488 BTC

01/15/2021
04:05:24 GMT-5

56e46e0e08b00772
1e77dd53955b1a25
96bb49ed646d4286
c0bad8a8b1cc598a

1 BTC

19vLcutCU rJKnpECg1 f3424YM29 tkkiyi5

1.98436 BTC

1Aa1Zj4Zu DpBGnjxeH i1x3qYUYF moXUyb6
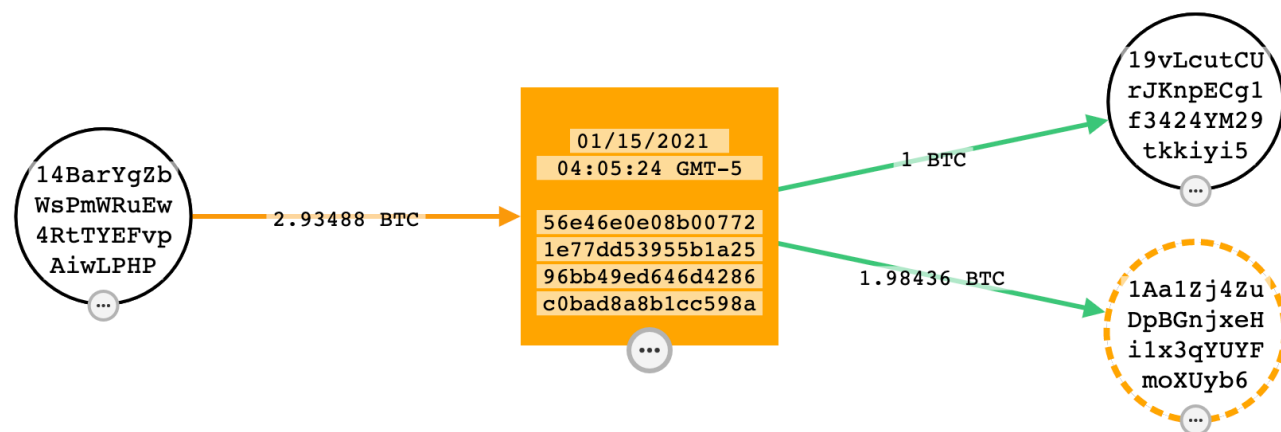
What launched Bitcoins Value?

Before /After (Break)

2017

- There were **710** VCs in Circulation
- Bitcoin High: $20,089
- Bitcoin Low: $755.76

2024

- >23,000 VCs in Circulation
- Bitcoin High: $68,789
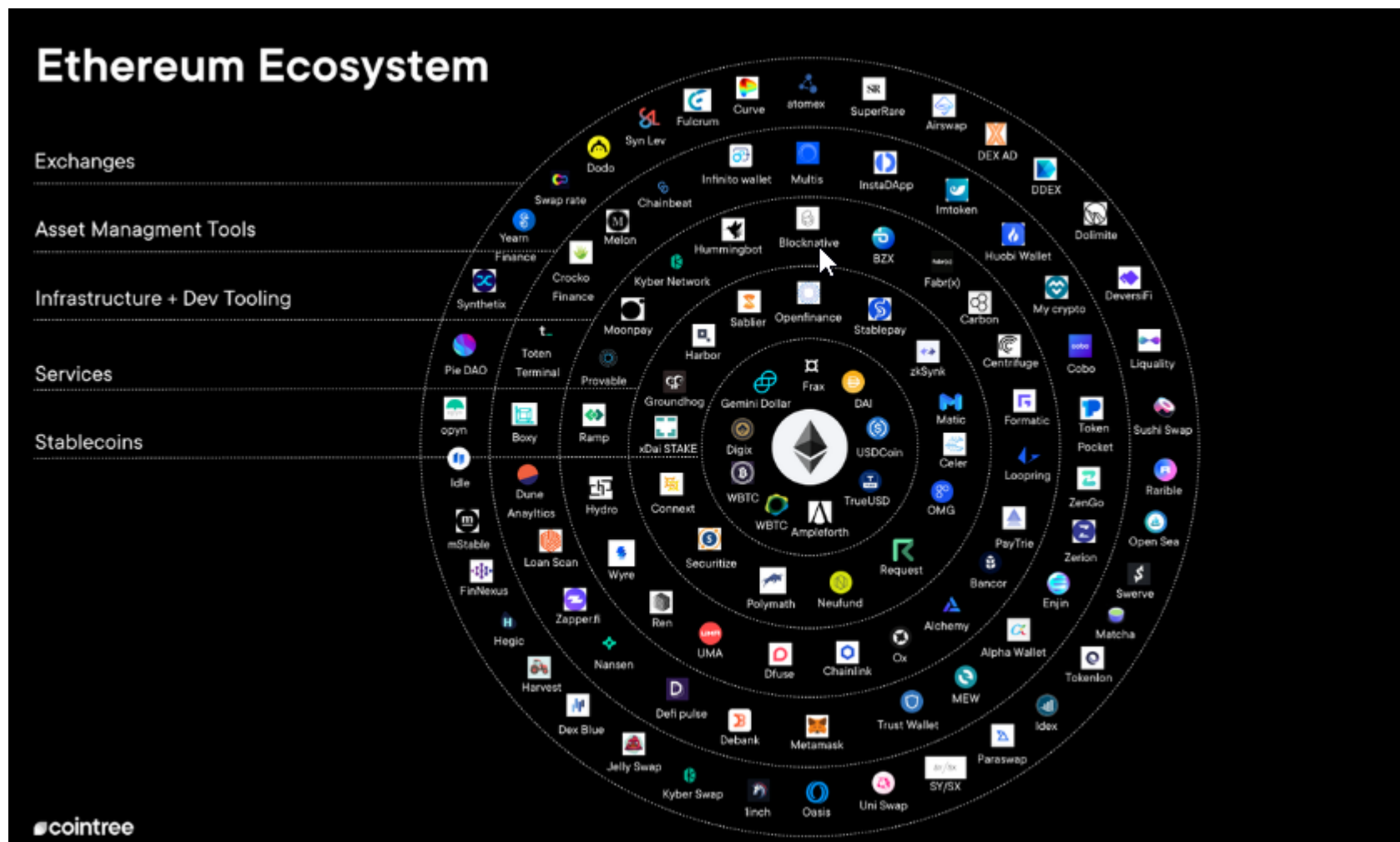- Bitcoin Low: $ 15,599

ALT Coins

Layer 1 VC = Ecosystems

Amazon (Alibaba) of Virtual Currency

Layer 1 Cryptocurrencies have their own Blockchains

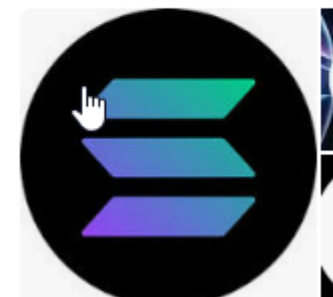Other VC build their infrastructure on Layer 1 blockchains
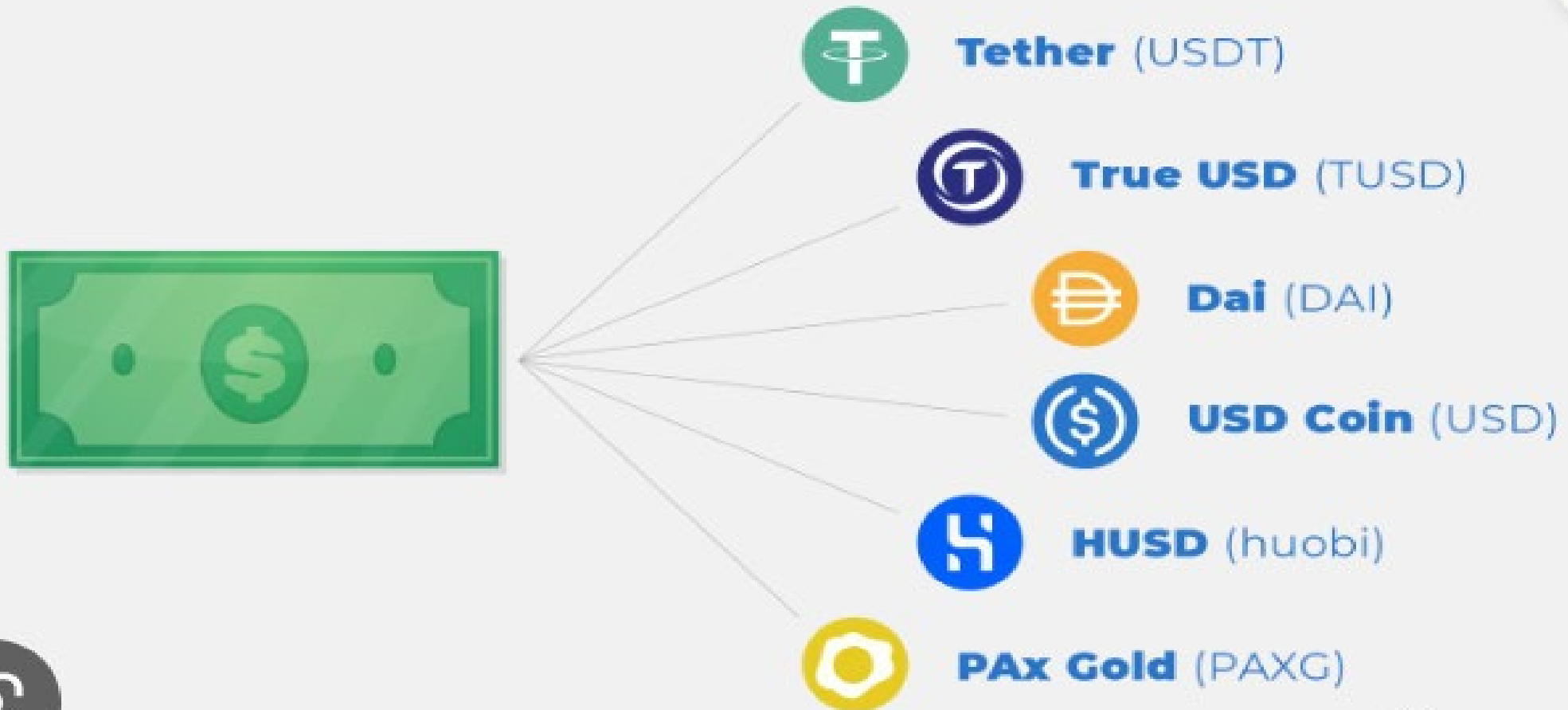
Layer 1 ALT Coins

Stable Coins

Tether

Layer 2 VC
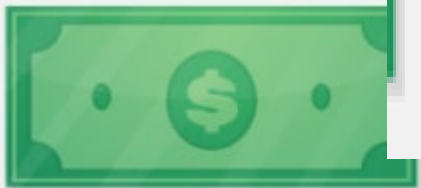
VC Exchanges (Break)

Virtual Currency Exchanges Allow

- trade fiat currency for VC = Cash In

- VC for Fiat Currency = Cash out

- Register with governing entities

- Must comply with BSA regulations and KYC

- Connected to Banking System

- Generally Compliant with Subpoenas

DEXs

Known as Swap Protocols
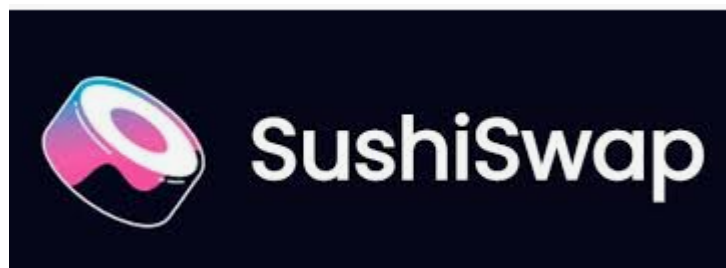
Swap Protocols Allow

- trade VC for other VC

- Do not accept FIAT

-Lesser Regulation

- Not connected to Banking System

-Can subpoena for information but may get limited information

Mixers/Tumblers

KEY TAKEAWAYS:

— Bitcoin mixers are software or third-party services that mix up your Bitcoin funds with other users' funds to reduce the tracing of transactions.

— There are two types of mixers: centralized mixers and decentralized mixers. Centralized mixers use a third party, while decentralized mixers use open-source protocols to mix transactions.

— Crypto mixers offer users anonymity which can be integral to those living under oppressive regimes, but it can also open the door for criminal activity.

— There are many potential risks of using mixers, such as violating local laws, receiving wallet flags, platform bans and more.

Which Bitcoin Mixers Are More Reliable?

Of all the Bitcoin mixers, the best services are the following:

- Tumbler.io
- YoMix.io
- Cryptomixer.io
- Cryptomixer.biz
- UniJoin.io

CoinMarketCap

CoinMarketCap

Cryptos: 2.2M+   Exchanges: 723   Market Cap: $2.72T ▲ 3.53%   24h Vol: $162.67B ▲ 55.71%   Dominance: BTC: 52.4% ETH: 17.8%   ETH Gas: 95 Gwei ⌄   Fear & Greed: 89/100

Today's Cryptocurrency Prices by Market Cap

Highlights 🔵

The global crypto market cap is **$2.72T**, a ▲ **3.53%** increase over the last day. Read More

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💬 7 · 🔁 1 · 😊 84

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89
Extreme greed

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#	Name	Price	1h %	24h %	7d %	Market Cap ⓘ	Volume(24h) ⓘ	Circulating Supply ⓘ
☆ 1	₿ **Bitcoin** BTC	$72,557.38	▲ 0.14%	▲ 4.21%	▲ 8.48%	$1,425,449,983,942	$61,063,566,818 841,831 BTC	19,651,462 BTC
☆ 2	◆ **Ethereum** ETH	$4,042.58	▲ 0.01%	▲ 3.21%	▲ 14.07%	$485,491,411,414	$28,020,758,958 6,931,616 ETH	120,098,097 ETH
☆ 3	**Tether USDt** USDT	$1.00	▲ 0.07%	▼ 0.08%	▲ 0.04%	$102,116,114,582	$113,544,178,755 113,435,231,816 USDT	102,018,133,001 USDT
☆ 4	◆ **BNB** BNB	$519.27	▲ 0.31%	▼ 2.24%	▲ 24.79%	$77,652,138,024	$4,250,181,462	149,539,907 BNB

CoinMarketCap

Tether USDt USDT

$1.00 ▼ 0.08% (1d)

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Market cap ⓘ	▲ 0.11%	$102.12B
		#3
Volume (24h) ⓘ >	▲ 55.33%	$113.66B
		#1
Volume/Market cap (24h) ⓘ		111.30%
Circulating supply ✓ ⓘ		102.02B USDT
Total supply ⓘ		106.8B USDT
Max. supply ⓘ		∞
Fully diluted market cap ⓘ		$106.9B

Contracts

◆ Ethereum: 0xdac1...831ec7 ⧉ 🛡 🦊

More ∨

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Rating · Based on 3 institutional ratings

3.9 ★★★★☆ ⓘ

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Tether USDt markets

ALL | CEX | DEX | Spot | Perpetual | Futures | All pairs ∨

#	Exchange	Pair	Price	+2% Depth ⓘ	-2% Depth ⓘ	Volume (24h)	Volume %	Confidence
1	Binance	BTC/USDT ⧉	$1.0010	$36,721,255	$19,070,207	$5,050,217,805	4.44%	Hig
2	Binance	FDUSD/USDT ⧉	$1.0010	$39,350,204	$25,062,732	$4,258,804,729	3.75%	Hig
3	Binance	ETH/USDT ⧉	$1.0010	$19,937,675	$22,054,451	$2,799,778,550	2.46%	Hig
4	Binance	USDC/USDT ⧉	$1.0010	$24,852,207	$8,139,618	$1,242,109,985	1.09%	Hig
5	Binance	SOL/USDT ⧉	$1.0010	$8,663,554	$7,587,264	$1,128,437,119	0.99%	Hig
6	Binance	XRP/USDT ⧉	$1.0010	$4,119,618	$1,905,161	$1,076,592,386	0.95%	Hig
7	Binance	BNB/USDT ⧉	$1.0010	$3,574,913	$3,227,479	$929,763,844	0.82%	Hig
8	Coinbase Exchange	USDT/USD ⧉	$1.0010	$1,542,437	$4,110,250	$518,315,699	0.46%	Hig
9	Binance	DOGE/USDT ⧉	$1.0010	$3,189,811	$2,999,709	$464,750,678	0.41%	Hig
10	Kraken	USDT/USD ⧉	$1.0011	$2,186,671	$5,422,846	$237,055,085	0.21%	Hig

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Questions