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Cryptocurrencies' Values determined and advantages of Cryptocurrencies investments

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Abstract: *As long as the government continues to print and distribute currency, inflation will rise and spread across society. A well-functioning government or financial institution isn't necessarily a bad thing if it monitors the market and keeps an eye on the amount of money being issued at any one time. Economic growth and prosperity may be aided by even a little bit of inflation. In other cases, courts have found no misconduct on the part of the government. Since the economy was floundering, they continued to pour cash into it. Hyperinflation occurs when the currency loses almost all of its value. On the other side, investing in digital currencies provides instant access to your money, wherever you are or whatever time of day or night you need it. Despite the fact that your money is still invested, you have the freedom to withdraw it anytime you choose. It is quite legal to withdraw funds from your investment account in the case of an emergency. It's possible that the market may decline and you'll be able to withdraw your money before it's all gone. In this piece of the paper, we will discuss about the cryptocurrencies and its' investments' advantages.*

Keywords: *cryptocurrencies, investments, currency, Inflation, withdraw, Money, Digital*

I. INTRODUCTION

It should come as no surprise that factors affecting the value of digital currencies are significantly different from those affecting the value of traditional currencies. For the great majority of digital currency users, this might be a game changer. To put it simply, this means eliminating the government from the equation and relying just on supply and demand to decide value. It seems that the value of these currencies is following the market at this moment, despite the expectations of some that they would swiftly lose their worth. The value of a country's currency is determined by its government or financial organisations. They'll let a certain amount of money circulate freely throughout the economy to make trading easier. There is a possibility that the government would raise currency production in stages. In terms of the quantity of money they may earn, there is no upper limit. Prior to the introduction of the euro, our currency was linked to the price of gold. To print money, the government could only employ the amount of gold it had at its disposal. Thus, our currency is no longer bound by the gold standard, allowing our government to print whatever amount of money it desires.

As long as the government continues to print and distribute currency, inflation will rise and spread across society. A well-functioning government or financial institution isn't necessarily a bad thing if it monitors the market and keeps an eye on the amount of money being issued at any one time. Economic growth and prosperity may be aided by even a little bit of inflation. In other cases, courts have found no misconduct on the part of the government. Since the economy was floundering, they continued to pour cash into it. Hyperinflation occurs when the currency loses almost all of its value. Trade rather than spend money because of the high rate of inflation. This is due to the fact that a currency's value might fluctuate from day to day. This may need restarting the currency and regaining the trust of citizens in the monetary system.

It's a bit trickier when it comes to digital money. There will be no problems with releasing too much money or having faith in the government to make the right decisions without a central bank, hence it is unnecessary to have one. Many people were pleased to learn that they could use money that was not reliant on the value of another person during the global economic crisis of 2008 and beyond.

There are a few elements that will affect the value of the coins already in circulation when it comes to digital currencies. The quantity of demand for a coin over a certain length of time is mostly what determines its value. If a big number of people demonstrate an interest in possessing the coins at the same time, their value will grow. If a huge number of people aren't interested in possessing these coins, their value will plummet.

The number of coins in circulation will also have a role. There is usually a limit on the quantity of digital currency coins that may be exchanged at any one moment. It's impossible to make any more than the current 21 million bitcoins in circulation. The issue here is that not all of them are readily accessible at the same moment. After months of hard effort by miners to keep the blockchain safe, currencies will be released in stages over the next weeks and months. Since miners cannot manufacture new coins by hashing if there is a high demand for a cryptocurrency, its value may increase. If the initial euphoria fades and miners continue to manufacture more coins, Bitcoin's value may plummet in the near future.

To put it another way, the forces of supply and demand are at work in this paradox. As a result, the market seems to be holding steady. Even if a coin is used in a foreign country, its value will be recognised if the owner does not depend on the judgement of another person or organisation to decide its value.

When making a decision on where to invest your money, there are a few factors to keep in mind. Real estate piques the curiosity of certain people due to the riches and diversity of market trends that may be discovered. It's possible to spend your days doing something that you like by establishing a business. Others will prefer to spend their time on the stock market because of the many options available.

Investing in digital currencies may be an option to consider if you wish to broaden your investment horizons. Consider investing in one of the many alternative digital currencies available if you aren't pleased with the return on your Bitcoin investment. The issue is, why would you invest in these digital currencies instead of the other options described above? The possibility to earn a high rate of return on your investment is only one of the many benefits of using cryptocurrencies.

II. ADVANTAGES OF CRYPTOCURRENCIES INVESTMENTS

The popularity of digital currencies may be seen in only a few days of market tracking. The fact that they are available to people all around the world means that they are a viable option that will only improve in the near future. It is feasible to get a speedy return on investment if you enter the market at the right time.

As an illustration, consider the meteoric ascent of the digital currency Bitcoin. In February 2017, a single Bitcoin was valued around \$2500.

Even so, it was a huge improvement over where we were before. Bitcoin's value had grown to about \$11,400 at the time this guidebook was being prepared, showing that the currency had seen substantial growth. In the present status of Bitcoin, you might have earned a large profit a year ago if you had invested your money.

However, Bitcoin isn't the only digital currency seeing tremendous growth. Investors should use the opportunity to profit from digital currency investments at this juncture.

A. *No Government Controls*

Many individuals prefer dealing with digital currencies since they don't have to be concerned about government control. There is no one entity in charge of these digital currencies, whether it a corporation, a government, or anybody else. In general, individuals prefer the idea of being able to work with their money without fear of government consequences. In the wake of the global economic crisis of 2008, many individuals have lost faith in the government's ability to protect their savings and assets. In light of the government's inability to exert effective control over their financial lives, they are dissatisfied with the government's control over all aspects of their lives. As a result of these digital currencies, you won't have to be concerned about anybody else having control over your money.

B. *Ability to be Anonymous*

It's almost hard to remain anonymous while transacting via traditional banking institutions. There is now a simple way to secure your data as a consequence of recent news stories about hackers gaining access to traditional databases and acquiring personal information about you.

Keep your identify hidden from the general public by following a few simple steps. Don't use an address that can identify you when you pick it up.

Please refrain from including any identifying information about yourself, including your name. Many individuals also move their addresses often, making it simpler to conceal personal details. Having the ability to change your IP address on a regular basis might help hide your online activity.

C. Huge Growth Possibility

Many cryptocurrencies are seeing a boom in popularity at the moment. There is a growing awareness and excitement about these digital currencies throughout the globe at this point. To make a purchase while on the road, customers may utilise these currencies from any location in the world. Because of the blockchain's security, these transactions may be executed quickly.

Because of all the advantages and the fact that the money is available to everyone with an internet connection, wherever on the planet, there is a lot of space for expansion. This year, the value of bitcoin has climbed from \$2500 to over \$11,000 and is anticipated to rise much more in the near future. Investing in bitcoin and other digital currencies is a good idea because of their rapid development. Unlike other investing techniques, which need substantial research and a lengthy period to get a return on your money, trading bitcoins is fast and simple. A year or two of consistent effort with a respectable digital currency may return your original investment and more.

D. Send Money Instantly

In the event that you've ever tried to send money to someone else, whether to aid them out while they're on the road or after they've finished a deal, you'll know how time-consuming and complicated it may be. The reason for this is that the receiver of your money and your bank must reconcile their records in order to include the money and verify that your transaction was successful. This might take anywhere from five to 10 days or more, depending on the specifics of the transaction. The current banking system's setup necessitates this lengthy wait time, which is annoying. It is, on the other hand, slow and may cause significant neck discomfort. Do you have a plan in place if you need to send money to someone right away? Fortunately, blockchain technology makes this feasible. There is just one ledger to keep track of with the blockchain, and that ledger is always up to date and ready to use. Instead of taking days to finish a transaction or send money to a friend in another country, it just takes seconds now.

E. Saves Money

Blockchain technology is being used by several of these cryptocurrencies, which might save you money in the long term. The cost of changing coins from traditional to digital money and back is much cheaper when compared to dealing with the majority of banks and financial institutions. Unlike other investments, there is no need to pay a broker, which might save you money in the long run. This implies that you will be able to retain more of your money in your wallet.

F. Many Options for Investing

When it comes to purchasing digital currencies, investors have a wide range of options. You are under no obligation to proceed with any of your selections if none of them appeal to you. Even if you test one option and discover that it doesn't meet your needs, it's easy to switch to a different one. As a potential cryptocurrency investor, this article will help you understand all of your possibilities. Everything from day trading to starting a business that takes digital currency as payment is covered in this course, as is how to become a broker who can assist others in investing in digital currencies. There are several ways to invest in digital money, and these are just a few of them. There are a plethora of options open to you.

G. Don't Require a lot of Work

In spite of your inexperience, investing in these digital currencies will turn out to be quite simple. Day trading is one strategy that requires you to monitor the market on a regular basis, but the majority of techniques allow you to invest money and reap the rewards. This means beginner investors will have a much simpler time accomplishing their financial goals. You don't have to be on high alert in case of a major disaster due to the low probability. These digital currencies' value is expected to stabilise at some time, but demand for them is currently great and their value continues to rise each day. Digital currency investors will find it much easier to invest in digital currency utilising this service, which does not involve any effort from the investor.

H. Easy to Access

At any moment, you may access the money you've saved in digital currencies. The purchase and hold strategy, which entails placing your money in an investment and holding it there until the market improves and you benefit, does not exclude the possibility of removing your money from the market whenever you see fit.

Certain investments require you to keep your money in the market for a certain amount of time before you can enjoy the benefits. For individuals who haven't planned ahead, taking money out of the bank too early might lead to a slew of fees and penalties. Even though your money is legal currency, it is not yours to do with as you like.



III. CONCLUSIONS

Investing in digital currencies provides instant access to your money, wherever you are or whatever time of day or night you need it. Despite the fact that your money is still invested, you have the freedom to withdraw it anytime you choose. It is quite legal to withdraw funds from your investment account in the case of an emergency. It's possible that the market may decline and you'll be able to withdraw your money before it's all gone. As a result, many investors are more at ease with the concept of investing in digital currencies since there are no time limits on when the money may be used. Investors of all levels, especially those who are just getting started, might benefit from investing in digital currencies. Conventional investments, on the other hand, may be more difficult to comprehend and use. Before making a new financial commitment, keep these considerations in mind.

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