

# Forum:[Hack Forums](#)

Thread: [The Ultimate Crypto Currency Beginner's Guide](#)

Trevor Phillips - May 28, 2017, 2:29 pm

The Ultimate Beginners Guide to Crypto Currency Investing!

Contents:

[\(Click to View\)](#)Common terms explained

What is a Crypto Currency?

What is blockchain technology?

What is bear and bull?

What is shorting?

What is an ICO?

Buying Bitcoins

Where do I buy BTC?

Where do I store BTC?

Finding an exchange

What is an exchange?

Which exchange should I be using?

Should I store my coins on an exchange?

Using an exchange

How do I deposit my BTC into an exchange?

How do I buy an altcoin on an exchange?

Should I store my altcoins on an exchange?

Investing

What are the different types of investing?

Which coin should I invest in?

When should I sell my coins?

Withdrawal

How do I withdraw my coins?

Can I exchange my BTC into Paypal safely?

Basic security to protect your money

I think i've been infected, what do I do?

Should I activate 2FA, or is it a waste of time?

Are Exchanges safe places?

The exchange I am on is not processing my order/withdrawal, what do I do?

## Common Terms Explained

What is Crypto Currency? Crypto Currency is a digital currency in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds, operating independently of a central bank.

Read more: <https://blockgeeks.com/guides/what-is-cryptocurrency/>

What is Blockchain Technology? A blockchain is a public ledger of all Bitcoin transactions that have ever been executed. It is constantly growing as 'completed' blocks are added to it with a new set of recordings. The blocks are added to the blockchain in a linear, chronological order. Each node

(computer connected to the Bitcoin network using a client that performs the task of validating and relaying transactions) gets a copy of the blockchain, which gets downloaded automatically upon joining the Bitcoin network. The blockchain has complete information about the addresses and their balances right from the genesis block to the most recently completed block.

Read more: Blockchain Definition | Investopedia

<http://www.investopedia.com/terms/b/blockchain.asp#ixzz4iPKSkuQW>

What are Bear and Bull markets? These terms are used to describe general actions and attitudes, or sentiment, either of an individual (bear and bull) or the market. A bear market refers to a decline in prices, usually for a few months, in a single security or asset, group of securities or the securities market as a whole. A bull market is when prices are rising.

The terms "bear" and "bull" are thought to derive from the way in which each animal attacks its opponents. That is, a bull will thrust its horns up into the air, while a bear will swipe down. These actions were then related metaphorically to the movement of a market: if the trend was up, it was considered a bull market; if the trend was down, it was a bear market.

Read more: Where did the bull and bear market get their names?

<http://www.investopedia.com/ask/answers/129.asp#ixzz4iPLTUQIn>

What is shorting? Even though shorting is actually a term used on stocks or Crypto's that are borrowed and NOT OWNED, it's very common to see this term on here used to describe someone who sold a coin to make a quick profit or even selling at a deficit to buy another coin.

The actual definition of shorting can be best understood if you read up on lending and research beyond Crypto's, into stocks and securities. I will leave a link here just in case you want to research this stuff on your own time.

Shorting: <http://www.investopedia.com/terms/s/shortselling.asp>

What is an ICO? An ICO is an event in which a new cryptocurrency project sells part of its cryptocurrency tokens to early adopters and enthusiasts in exchange for money today. ICOs provide a way for cryptocurrency project creators to raise money for their operations. Most ICOs raise money in Bitcoin or other cryptocurrencies.

## Buying Bitcoins

Where do I buy BTC? Buying BTC can be done in several different ways. The most popular way is to visit [www.coinbase.com](http://www.coinbase.com) and after signing up and verifying, you will be able to purchase BTC using a debit or credit card. They do have weekly limits though, so it might be a pain in the ass.

You can also buy BTC on Hackforums USING EXTREME CAUTION, from trusted sellers on the marketplace. You can use your Paypal or even other payments to get a user to sell you some BTC at discounted rates.

You may also use [www.localbitcoins.com](http://www.localbitcoins.com) to see if someone is selling BTC in your area and trade physical cash for BTC. This might be safer for you, depending on where you live.

Where do I store my BTC? Storing your BTC can also be done in several different ways. You can store your coins on an exchange (just leave them there), which is NOT RECOMMENDED (more on this later), or you can use a Desktop wallet or a hardware wallet.

A Desktop wallet is a wallet that you download and secure using your own keys to store your coins offsite. A very popular example of this is Jaxx.io - Many users have used this on here and have found it to be extremely safe.

A hardware wallet is a bit more advanced and is an actual device you buy and use to store your BTC on. It is more secure than an Desktop wallet and if you are extremely paranoid or rich then you might want to look into using one of those. There are a variety of Hardware wallets out there and you can google it to select one that suits your needs best.

## Finding an Exchange

What is an exchange? An exchange is a website that you deposit your BTC or FIAT into (or even altcoins) in order to trade these currencies for other coins or even Fiats. There are a lot of exchanges out there and keep in mind that some of them ARE sketchy and should be avoided at all costs.

Which exchange should I be using? Even though there are a lot of exchanges out there, the most popular two are Poloniex and Bittrex. Based on my own personal experience, I would suggest using Bittrex, as Poloniex has had a long history of support problems and losing people's money. But this is up to you.

Here are a list of Exchanges in case you wanted to look into them:

<https://www.cryptocurrencycharts.info/markets/info>

Should I store my coins on Exchanges? It is HIGHLY ADVISED AGAINST to store anything on exchanges. The reasons are numerous, but include hacks, support issues and even account closures. This is money and by leaving them on an exchange, you are basically letting other people hold onto your money and trusting them to do it. With an offline wallet YOU control the keys and therefore might feel a lot safer doing that.

## Using an exchange

How do I deposit my BTC onto an exchange? Sign up for your chosen exchange and find the list of currencies (this depends on the exchange you are using). On Poloniex, all you need to do is click on the 'USDT' tab in the currencies box, then click on 'BTC', and scroll down to the buy and sell boxes and click on the 'deposit BTC text'. At that point just copy paste the wallet address and send the coins from your wallet or coinbase. It might take a while to confirm, but it should appear in your pending deposits shortly.

How do I buy an altcoin on an exchange? Once your BTC payment has cleared, it will be in your BTC balance, and all you have to do is scroll to your currency of choice in the currency box, click on it, scroll down to the 'BUY' box, and fill out the required fields. You might want to stick to market value if you are just starting out, but you can put any price you want in the price field. This is called a limit order. After you fill the fields out, simply hit 'buy' and your order will process.

## Investing

What are the different types of investing? Investing comes in primarily three types:

**Short term:** This type of investing is not advised for newbies and done by day traders usually. This is done when you believe the coin is going to rise on the short term (few days tops), and then sell and re invest in another or even the same coin.

**Mid term:** This type of investing is great for beginners and is safer than short term investing. It requires some patience and usually extends to 1-2 months of waiting before you sell.

**Long term:** This is the type of investing you do when you believe in the technology you are investing in. This can include waiting from several months to several years. This is what you should do when you are nearly 100% that the coin is going to have a great future. This is not advised for beginners.

**Which coins should I invest in?** You should NEVER EVER invest your hard earned money into a coin just because someone else tells you to. Even though sometimes this works out and you profit greatly, it's a very bad idea because you have no idea what you are buying into. You should only invest in a coin if you have done the research yourself and strongly believe that you will make some profits based on your research. For this reason I cannot advise you on what to buy.

You can start by looking at the roadmap of the coin you are researching and then looking deeper into it's technology. Do not invest unless you UNDERSTAND what the coin is trying to achieve.

**When should I sell my coins?** In general, this depends on what type of investor you are. It is usually very good advice to set a reasonable goal and sell when you hit that goal. Do not get greedy or you will lose money! Selling your coins doesn't have to be selling everything. You may sell some coins and keep some if you believe there is more profit to be made.

## Withdrawals

**How do I withdraw my coins?** This depends on what exchanges you are on, but in general, you may want to sign up for coinbase or a similar trusted website where you can put in your bank information and then deposit the BTC and sell it for USDT, eventually withdrawing that USD (or whatever currency) to your bank account. A similar website to coinbase is the exchange [www.kraken.com](http://www.kraken.com) - Which has a large selection of coins and fiats.

You may also trade your coins on Hackforums for Paypal and withdraw the Paypal to your bank account. THIS IS NOT ADVISED IN LARGE AMOUNTS and always use common sense when doing these things.

**Can I exchange my BTC to Paypal safely?** No, it is usually not recommended to trade your Crypto's for Paypal for the simple reason that Paypal can be chargebacked while Crypto's are notoriously hard to charge back. With that being said, if you trust the person who is doing this transaction with you 1000%, then go for it, but please keep in mind that people have gotten burned before doing this with extremely trusted people. It's a very tempting thing to do.

## Basic security to protect your coins

I think i've been infected, what should I do?If you believe you have been infected and you haven't done any Crypto trading yet, make SURE you have cleaned out your system before making any trades, because if you haven't, you might very well get robbed blind.

If you have already done trades and might have been infected, clean out your system, and then change all your passwords using SECURE 10 digit passwords for all accounts and exchanges.

Should I activatr 2FA, or is a waste of time?It is HIGHLY RECOMMENDED to activate 2 factor verification. This is NOT a waste of time, but an added layer of security. No one is to blame if you get hacked and robbed because you didn't attach a 2FA device to your security. Setting up 2FA is very easy and should be done by everyone using all their valued accounts (not just crypto).

Are exchanges safe places?Yes and no. The major exchanges like Poloniex and Bittrex are RELATIVELY safe but still get hacked every now and then and ddosed on a regular basis. Furthermore, they are obviously a large target for hackers because they contain a lot of money on them. Therefore you should never assume that they are impenetrable and should always take the necessary measures to protect your money.

The exchange I am on isn't processing my order, what should I do?This depends on the exchange you are on. In my experience, I had most problems while I was on Poloniex. If you are using that and are having issues, your best bet would be to make a support ticket and then wait 2 days (they won't answer), then go to the trollbox and message a mod, telling them support has not replied to you. They will then bump your support ticket to support and you should be able to get an answer. This is a shortcut that you should use with Poloniex and support should work fine with other major exchanges.

This Tutorial was made because I keep seeing beginners asking the same questions on the forum and wanted to have a guide to clear up all that clutter on this section!

**moon79** - May 28, 2017, 2:38 pm

Not bad. Will keep an eye on this one since I want to start investing.

**Rikkert** - May 28, 2017, 2:38 pm

Nice HQ thread from HQ user!

Definitely worth to read.

**SIM-1206811** - May 28, 2017, 2:39 pm

Great work on this guide mate!

lots of good info for people trying to get into the Crypto world.

**Trappy** - May 28, 2017, 2:41 pm

Nice tutorial! Didn't read the whole thing but saw the shorting section lacked some information.

Shorting is basically borrowing a security, waiting for it to rise in value, selling it, and then returning what you borrowed and keeping the profit. It's sort of difficult to do with crypto's as people don't really loan out Bitcoin.

**Frukt** - May 28, 2017, 2:50 pm

FINALLY!!

This is exactly what I want to see here.

Good thing Omni banned pump threads, hopefully this is what we will see in the future.

A good step forward to a better HQ section!

Cheers

**blank.** - May 28, 2017, 2:59 pm

Awesome thread, very helpful!

**thales** - May 28, 2017, 3:02 pm

All this info is kinda self-explanatory but should be good for beginners.

Not another shit post which is good.

Decent thread. 7/10

**Trevor Phillips** - May 28, 2017, 4:22 pm

(May 28, 2017 03:32 PM)James! Wrote: [\[CITE\]](#) Great and HQ tutorial for beginners. Believe me, Trevor, aka Cookie, definitely knows her shit about cryptocurrency.

Thanks a lot for the support! ?

**hose10** - May 28, 2017, 4:33 pm

which are the parameters for altcoin to be profitable?what should i research?

**Trappy** - May 28, 2017, 4:37 pm

(May 28, 2017 04:33 PM)hose10 Wrote: [\[CITE\]](#) which are the parameters for altcoin to be profitable?what should i research?

Buy in low. Not sure what you mean by parameters.

Be sure the coin isn't some shit coin and it actually has a niche.

**Hulahoops** - May 28, 2017, 5:22 pm

Great work Trevor! I can't think of anything else that really needs to be included. This will be an extremely handy thread for new crypto enthusiasts and people brushing up on their knowledge alike.

**Rikz** - May 28, 2017, 5:49 pm

Bitcoin went down anyways. I've lost about \$15k because of the drop in the past day or so.

But I do expect it to reach \$3k per coin in next month

**Trevor Phillips** - May 28, 2017, 7:13 pm

(May 28, 2017 04:33 PM)hose10 Wrote: [\[CITE\]](#) which are the parameters for altcoin to be profitable?what should i research?

You might want to start with the roadmap, technology, community and then progress from there. You wouldn't want to invest in an ambitious but useless or slack founded project.

**Kryptize** - May 28, 2017, 11:01 pm

Great thread, this will help out many people and definitely help reduce the "should I invest in x coin?" threads.

**Trevor Phillips** - May 29, 2017, 2:40 am

(May 29, 2017 12:59 AM)Jimilian Wrote: [\[CITE\]](#) Would've been better if you came up with the

answers yourself in some of the questions.

Yes,well, a lot of these are definitions that are defined better than you or I could articulate. The opinionated stuff is all answered from me and me alone. This is a beginners guide, it's not meant to be very complex.

**Trevor Phillips** - *June 1, 2017, 3:00 pm*

I'm bumping this thread because i'm seeing the same questions being posted again on the forum!

**Aimsyson** - *November 23, 2017, 12:33 pm*

Really helpful post thank you!