

MY DIGITAL ASSETS

THE BASICS OF

CRYPTOCURRENCY

The background image is a composite. The lower half shows a dense city skyline, likely New York City, with numerous skyscrapers. The sky is a mix of blue and orange, suggesting a sunset or sunrise. Overlaid on this image are various digital effects: small white squares and dots, some larger semi-transparent squares, and horizontal light streaks. The word 'CRYPTOCURRENCY' is written in large, white, sans-serif capital letters across the middle of the image.

PREPARED AND PRESENTED BY
SONIKA VAN DER WALT - CRYPTONEUR

INTRO



Well done for taking the first step in learning some new skills in the **Decentralized** space!

Everyone wants to get in with **Cryptocurrencies** as it's becoming the talk of the town more and more and I know how frustrating it can be when you do not even know where to start or what to search for! Being invested in to Crypto for the past 5 years I saw the need of basic knowledge regarding Cryptocurrencies and blockchain. I have put together a few tips, basic knowledge of what it is all about and the various types of trading that is out there so you get to understand "Crypto Lingo" better. I will not be getting in to the technical side of it otherwise this book will be a 100 pages long. I have however posted some links to great videos that goes more in to detail as well as links to great academies where you can get real value for money by doing their courses. This is for the person who has heard of Bitcoin but has no idea what it is or where it comes from. I trust you will find this of great help to get you started and buying some Crypto!

Lots of Crypto Love

Sonika van der Walt

Founder - My Digital Assets

INDEX

- 1. A FEW TIPS BEFORE YOU START WITH CRYPTOCURRENCIES**
 - 2. THE DIFFERENCE BETWEEN CE-FI AND DE-FI FINANCIAL SYSTEMS**
 - 3. DEFI PROJECTS AND APPLICATIONS**
 - 4. WHAT IS CRYPTOCURRENCY?**
 - 5. WHAT IS BLOCKCHAIN?**
 - 6. HOW DO YOU BUY & SELL CRYPTOCURRENCY?**
 - 7. WHAT IS A EXCHANGE?**
 - 8. WHAT IS A WALLET?**
 - 9. WHEN TO BUY AND SELL?**
 - 10. WHAT IS LONG/SHORT TERM TRADING**
 - 11. WHAT IS HODL & SCALPT TRADING**
 - 12. TRADING WITH AI (ARTIFICIAL INTELLIGENCE) AUTO BOTS**
 - 13. TRADING COMMUNITY**
 - 14. LINKS TO TRUSTED PROJECTS, EXCHANGES, WALLETS ETC**
 - 15. CONTACT INFO**
-

THE DIFFERENCE BETWEEN CEFI AND DEFI FINANCIAL SYSTEMS



The prospects of Decentralized finance has undoubtedly presented a new and productive alternative for traditional financial systems.

Decentralized finance has emerged as a prominent contributor to resolving numerous pitfalls in traditional financial services.

The term “CeFi” or Centralized Finance has become too familiar to those who work in the finance and investment section

In CeFi centralized finance, there are 3 components: Organizations: They can be governments, central banks, private banks, funds, financial services, hedge funds, retirement funds ...Markets: For example, exchanges like Vietnam stock exchange, NASDAQ ...Financial instruments: Examples of derivative products, loans, stocks, debt, etc.

DeFi draws inspiration from blockchain, the technology behind the digital currency bitcoin, which allows several entities to hold a copy of a history of transactions, meaning it isn't controlled by a single, central source. That's important because centralized systems and human gatekeepers can limit the speed and sophistication of transactions while offering users less direct control over their money. DeFi is distinct because it expands the use of blockchain from simple value transfer to more complex financial use cases.

The most popular types of DeFi applications include:

Decentralized exchanges (DEXs): Online exchanges help users exchange currencies for other currencies, whether U.S. dollars for bitcoin or ether for DAI. DEXs are a hot type of exchange, which connects users directly so they can trade cryptocurrencies with one another without trusting an intermediary with their money.

“Wrapped” bitcoins (WBTC): A way of sending bitcoin to the Ethereum network so the bitcoin can be used directly in Ethereum's DeFi system. WBTCs allow users to earn interest on the bitcoin they lend out via the decentralized lending platforms described above.

Prediction markets: Markets for betting on the outcome of future events, such as elections. The goal of DeFi versions of prediction markets is to offer the same functionality but without intermediaries.

In addition to these apps, new DeFi concepts have sprung up around them:

Yield farming: For knowledgeable traders who are willing to take on risk, there's yield farming, where users scan through various DeFi tokens in search of opportunities for larger returns.

Liquidity mining: When DeFi applications entice users to their platform by giving them free tokens. This has been the buzziest form of yield farming yet.

Composability: DeFi apps are open source, meaning the code behind them is public for anyone to view. As such, these apps can be used to “compose” new apps with the code as building blocks.

Money legos: Putting the concept “composability” another way, DeFi apps are like Legos, the toy blocks children click together to construct buildings, vehicles and so on. DeFi apps can be similarly snapped together like “money legos” to build new financial products.

5 TIPS ON WHAT YOU NEED TO UNDERSTAND AND DO BEFORE EXCHANGING YOUR MONEY IN TO DIGITAL ASSETS

1. **Cryptocurrency** does not work like the money system we are used to as there are no Third parties involved like banks or financial institutions. It is decentralized which means there is no one that can protect you if you make a mistake or not sure what you are doing. Buying crypto is like setting up your own personal bank where you will be in charge of when to buy and when to sell. There are no brokers, financial advisors or bankers that will be managing your accounts on your behalf. You will become your own banker
2. **Golden Rule when it comes to investing** - never invest more than what you can afford to lose - same principal as gambling - you do not go to the casino with your entire life savings simply because you won once! The crypto market is a lot more volatile than the stock markets so decide on a amount and stick to it.
3. **Always check the URL address** you are entering to ensure you are not entering a fake website pretending to be the real one. How? Make sure it has https in front of the URL and not just http for example. Once you are a 100% sure you are in the correct website create a bookmark or a short cut on your phone's home screen and only access the site through the bookmark or short cut so no one can get their hands on your username and password.
4. **Get some pen & Paper** or a little black book as i call it as you will be creating quite a few usernames, passwords, security seed phrases and it is much safer to write it down and keep it somewhere safe and not just in one notebook! Do not save passwords on your phone or computer! REMEMBER you are your own bank now so make sure you put the necessary precautions in place
5. **Passwords!** You need to create LONG passwords with a good mix of capital letters, numbers and characters. Hackers uses programs and software that runs through thousands of common phrases and data to get to your password. Do not make all your passwords the same. Do not make it your birthdate. This is why step 1 is so important. What ever extra security the site or app offers, enable it for maximum security.





WHAT IS CRYPTOCURRENCY?

Cryptocurrency - is a peer to peer electronic cash system without any third parties involved. In 2009 a whitepaper was released by the name of Satoshi Nakamoto (whom nobody knows who it is) on Bitcoin and the blockchain technology. It is not physical coins that you can touch but digital.

Bitcoin was the first Crypto Coin ever. In 2010 the first transaction took place. After Bitcoin more and more Altcoins (which stands for alternative coins to BTC) surfaced. There are now over 6000 cryptocurrencies to choose from



HOW IS IT BENEFICIAL TO YOU AND ME?

Well... imagine a secure payment system where payments are instant from anywhere in the world, no third parties involved (no middleman) and no more running the risk of data or payments getting lost. The best part is even people without bank accounts can participate in this payment system. there are some risk as well... a payment system like this can make it easier for the bad guys to do transactions unnoticed.

What is a Stable Crypto Coin?
A cryptocurrency that's tied to an asset outside of cryptocurrency (the dollar or euro, for example or precious metals) to stabilize the price. These coins are used to secure value on profits made on trades

WHAT IS BLOCKCHAIN?



The amazing thing about these little blocks is that once the information is captured it is impossible to change the information on them. Every 10 min one of these blocks closes and moves over to the next block and this way it creates a chain of blocks linked to one another.

These blocks contains the wallet address of the sender, the receiver and the amount of coins that were sent.

What makes the blockchain so secure, instead of using one server to store all the information, the blockchain uses thousands of computers all over the world that stores this data. For the blockchain to crash - thousands of computers has to crash as well. That is the simplest way of explaining it. If you want a more technical explanation, there are 100's of video's on YouTube that explains the technical part

A BLOCKCHAIN IS CHAIN OF BLOCKS THAT CONTAINS INFORMATION THAT RUNS ON A DISTRIBUTED LEDGER THAT IS AVAILABLE TO ANYONE



HOW DO YOU BUY AND SELL CRYPTOCURRENCIES?



See it like this - if you were to travel to another country you will have to exchange your local currency at your local Exchange Bureau to the currency of the country you are travelling to right?

With Crypto it works exactly the same. You will have to exchange your Rands, Dollars, Euro's, Pounds at a local Crypto exchange for Bitcoin or Ethereum that both runs on the ERC20 Blockchain. (Main blockchain to access all Altcoins). Once you have purchased Bitcoin or Ethereum you will be able to exchange it for any other Altcoin you would like.

Unlike a physical exchange you would go in to, Crypto exchanges are all online. (see more info on exchanges on the next page).

It is very easy to purchase Crypto - if you can do online banking (EFT's, Deposits and withdrawals) then you can buy and sell crypto. Once you have done it a few times it becomes a second nature to you.

WHAT IS A CRYPTO EXCHANGE?

When you are ready to purchase Crypto you will have to open an account with a local Crypto exchange that accepts your currency. Some exchanges requires you to do a direct deposit in to one of your local banks in your country. And some exchanges you can simply link your debit card to the account and purchase crypto directly with your card like an online purchase.

Remember the Tips? Make sure you activate all security measures on these accounts.

Most countries has 3 or more exchanges you can choose from.

You will also be required to upload KYC (Know Your Customer) documents. So make sure you have the necessary on hand.

Don't worry i have posted a few links of exchanges that i personally prefer and that are safe to use.

Golden Rule when it comes to exchanges!
Never leave your crypto on an exchange. You only purchase your crypto here, you do not store it here.

Why? An exchange acts as a Hot wallet (web based) which is the playground for hackers and not a good idea to leave your assets there. Very important to move your coins to a save and secure "offline" wallet. See next page to learn more about various wallet options.

WHAT IS A CRYPTO WALLET?

THERE ARE MANY DIFFERENT TYPES OF WALLETS TO CHOOSE FROM. THIS IS PERSONAL PREFERENCE AND WHAT WILL WORK THE BEST FOR YOU

The key perspectives to note regarding any type of wallet are the following:

1. All the coins are actually recorded as ledger entries in the blockchain. They are not stored on any specific device, per se. Consider the blockchain as a 'vault' where everyone's coins are stored, but with compartments to ensure each owner's coins are separated.

2. Just as how to enter an actual vault, one needs a combination code, for one to access their blockchain vault 'compartment' or 'wallet', one also needs a combination code or 'key' to their personal vault.

Wallet implementations are really different ways of saving this 'key'. If the key is lost there is no way to open the door to the vault. So it is important to make a copy of this key and keep it in a safe place (hopefully not in the wrong hands either).

This might all look very confusing however it is important to decide which one will work best for you. I have posted links to ones i prefer



Web Wallet:

The 'key' will be the seed words. All one needs to do is to go to a browser go to the website and turn the key (enter the seed words). Then they see their coins on the blockchain live, make their transactions, then exit.

Pros:

1. The coins can be accessed from any device that has a web browser, such as computer, phone or tablet. Even Smart TV. This is very convenient.
2. This interface facilitates live access to the blockchain, so there is no need for sync up.

Cons:

1. Inconvenient. Typing in the seed words every time can be cumbersome. They cannot be copied and pasted in.
2. There is also adding risk of spyware copying the seed words as they are being typed in (though rare).

The Core Desktop wallet:

This method stores and encrypts the key (seed words) inside a program on the computer, which also makes a special copy of the blockchain ledger when it is running. When the program starts up, the software itself sends the 'key' that opens the vault and any changes to the main ledger since last access is 'synced' to the core wallet. (such as transfers sent to the wallet when it was off). When the program is shut off, it is disconnected from the blockchain.

Pros:

1. Convenient. There is no need to remember the seed words or private key, as it is stored in the application. Making it much easier to access the wallet.
2. Private. One cannot access the wallet to make transactions by any other means unless they access to that particular desktop that the program is running on
3. Multiple wallets can be created in the same application, each with a different label. The software takes care of the 'key' for each in the background.
4. Customized Key. The seed words are created by the user, not generated by the program. Thus increasing the level of security.

Cons:

1. Inflexible. It is not accessible from multiple devices, only on the system on which it is installed. One device only.
2. Location Risk. One who has physical access to that device has access to all the wallets created (so it should not be installed on an office computer, for example).

WHEN TO BUY AND SELL CRYPTO?

Now that is a good question? If you do not understand the market or have never bought crypto before, i suggest you look at crypto signals to know what to buy and when!

What is crypto signals?

Crypto trading signals can be based on multiple factors such as technical analysis, latest news, rumors, and market situation. It is most definitely advisable to use crypto trading signals provided by professional and experienced traders. You can only benefit from these crypto signals if they are trustworthy and have a proven track record. These signals are based on mathematical algorithms - instructions on what to buy and when based on past and current patterns.



There are so much information on social media and the internet of people trying to advise you on these predictions hence it is crucial to find signals based on what type of trading you want to do that are efficient and accurate to ensure you have the best opportunity to make great profits.

Not all signals will necessarily always be positive - you do get negative signals as well.

However if you have 8 positive trades out 10 for example that is a GREAT result.

Most people do not have the time to sit in front of their computers all day to trade so my advise will be to start with long term trading or swing trading where you set buy and sell orders on your exchange based on weekly or monthly signals.

I have posted a link to my preferred signal platform where you can simply follow the long term trade signals,

WHAT IS LONG TERM & SHORT TERM TRADING?

A long trade is initiated by purchasing with the expectation to sell at a higher price in the future and realize a profit.² A short trade is initiated by selling, before buying, with the intent to repurchase the stock at a lower price and realize a profit.

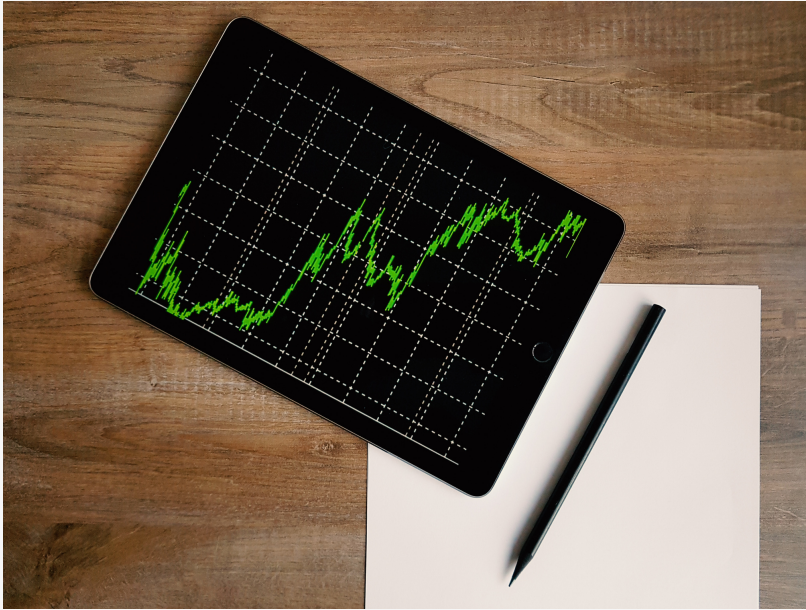


If time is an issue, long term trades are a lower to medium risk where with short term trades you need to be extremely focused on what the price is doing which means you can not leave sight of your trade.

Again this will be a personal choice and decision on what type of trading you will be interested in.

It is advisable to do some research on the various types of trading there is on the Pro's and Con's and what suits your lifestyle best.

WHAT IS HODL / SCALPT TRADING?



Hodl and scalp trading are pretty much the same thing.

They are both based on minute charts on a trading exchange platform by buying and selling cryptocurrency against trends

HODL is a misspelling of "hold" that refers to a buy-and-hold strategy in the context of bitcoin and other cryptocurrencies.



Scalping is heavily based on technical analysis, and if you want to be able to scalp then you'll need to learn at least the basics. A scalper will use charts or possibly even big release news to make money on an investment within a very short time frame.

TRADING WITH AI (ARTIFICIAL INTELLIGENCE) - AUTOBOTS

Trading bots are widely available programs that connect to a user's cryptocurrency exchange and make trades on their behalf. They work using a variety of indicators and signals, such as moving averages and indices. The idea is simple: to help users make money in the markets, while not wasting a lot of their time.



Auto bots are a great product to add to your Crypto portfolio, however there is a big misperception on these bots making you rich quick and you never have to do anything. These bots do not come cheap and it is important that you use them wisely for good returns.

It is crucial that when you buy bots to trade on your behalf you go where you can follow professional traders "already written" strategies so you do not end up losing all your money.

I have posted a link on the last page where you can purchase up to 8 different bots in different packages and activate various different trading strategies written by Professional traders. You can set them on Low, Medium and High risk trades. They also have a Trading academy that will teach you everything you need to know about trading with these bots.

TRADING COMMUNITY

This is by far the most important part of getting in to Crypto. Do not attempt this by yourself, you will only drive yourself to frustration and end up giving up or losing money.

I am apart of a large community of Professional traders and experts in their niche to ensure i stay up to date with the latest news, technology, apps, market info etc.

In our community we do daily calls, weekly webinars, Crypto Talks with local Crypto schools, Interviews on YouTube and much more.

Self Education here is key - you need to do your own homework and learn as much as you can to truly understand everything.

There will always be something new to learn.

Once you join one of the projects listed at the end of this book you will automatically become apart of this community of Crypto Traders where the sky will be the limit for you!



BELOW ARE VARIOUS LINKS FOR TRUSTED SITES

Preferred Exchanges

Binance (Largest Crypto Exchange in the World) - accepts multiple currencies including Rand and has many benefits on the site where you can earn yourself free crypto, savings on exchange, staking and much more - there are many step by step YouTube videos on how to set up your account

<https://www.binance.com/en/register?ref=BZGFOZG3>

Wallets

Exodus - Desktop and Phone App option - there are many step by step videos on YouTube on how to set up an exodus wallet

www.exodus.io

Crypto Signals

Tonoit - The best signals out there on Long Term Trading with Marius Landman - 1 Month, 3 Months and 1 year subscriptions - No registration fees

<https://www.tonoit.com/?u=Gwan>

Academies To Learn all about Crypto

Tonoit - From Beginner to Master Trading courses, Scalpt /Hodl trading courses, Weekly Webinars and much more. Free to register an account - you pay for the courses you are interested in only

<https://www.tonoit.com/?u=Gwan>

Auto Bot Trading - Freebay - has 3 Different packages to choose from in terms of how many Bots you want to purchase (prices includes full access to the Auto Bot Trading Academy - 1 Month and 1 year memberships to choose from

<https://freebay.ch/en/?s=sonique>

Cryptocurrency Info - this a great and trusted platform to follow in terms of latest pricing on the various crypto coins, latest news, market caps and much more

www.coindesk.com

GET IN TOUCH WITH ME!

I trust you got some value out of this book and that you now have a better understanding of the Crypto space! There is so much to learn still so I urge you to go and research each point by yourself where it gets explained in more technical detail. Watch video's and self-educate yourself.

Cryptocurrency makes up the biggest part of my portfolio however for me Diversity is crucial. I have around 8 different projects i am personally invested in to where each platform serves a different purpose and goal.

Some of these projects includes:

- Saving in precious metals (Gold & Silver) in small quantities
- Projects that grows your Bitcoin by using compound interest - achieving between 0,4 to 2.5% growth daily - 5 days a week
- Investing in to Income Generating Digital Assets for Passive Income
- And much more

I urge you to reach out to me for a 30 min Zoom call to get you started in building your Decentralized Portfolio!

Hope to Speak to you Soon!

Crypto Love

Sonika van der Walt

"Wealth - It Looks Good On You"!

