



# **CRYPTO MADE EASY: A BEGINNER'S GUIDE TO BITCOIN AND BEYOND**

Explore the origins, purpose, and key concepts of the world's first and most renowned cryptocurrency, Bitcoin.

# WHAT IS BITCOIN?



## First-Ever Cryptocurrency

Bitcoin was introduced in 2009 by an anonymous person or group using the pseudonym Satoshi Nakamoto.



## Digital Money

Bitcoin is a form of digital currency designed to work without the need for a central authority like banks or governments.



## Blockchain Technology

Bitcoin operates on blockchain technology, a secure and transparent digital ledger.

Bitcoin's decentralized, transparent, and inclusive design aims to challenge traditional financial systems.

# WHY BITCOIN WAS CREATED

- **Response to 2008 Financial Crisis**

Bitcoin was created in the aftermath of the 2008 global financial crisis, which highlighted flaws in traditional financial systems.

- **Transparency**

Bitcoin's blockchain technology ensures that all transactions are visible and transparent, promoting accountability.

- **Decentralization**

Bitcoin aimed to provide a decentralized financial system not controlled by any single entity, such as banks or governments.

- **Financial Inclusion**

Bitcoin allows anyone, regardless of location or access to banking, to participate in the global economy, improving financial inclusion.

# WHY BITCOIN'S PRICE GOES UP

## Limited Supply

Only 21 million Bitcoins will ever exist, creating scarcity and driving demand.

## Growing Adoption

As more people, companies, and governments use Bitcoin, its value increases.

## Store of Value

Bitcoin is often compared to digital gold due to its ability to preserve wealth over time.

## Bitcoin Halving

Halving events reduce the reward for mining new Bitcoin by half, decreasing the rate of new supply and increasing scarcity.

## Historical Halving Cycles

Previous Bitcoin halving events have led to significant price increases, with peaks of \$69k, \$20k, and \$1k.

# UNDERSTANDING BITCOIN HALVING

## Bitcoin Halving

Bitcoin halving occurs every 4 years, reducing the reward for mining new Bitcoin by half.

## Decreasing Supply Growth

The halving process decreases the rate at which new Bitcoin is created, increasing the overall scarcity of the cryptocurrency.

## Driving Demand and Price

The scarcity created by the halving events drives up the demand for Bitcoin, leading to significant price increases during the subsequent bull run.

# THE BITCOIN HALVING CYCLE

- Halving Event

Miner rewards are reduced, slowing the supply of new Bitcoin.

- Altcoin/Meme Season

Investors explore other cryptocurrencies.

- Bull Run

Scarcity drives up demand, leading to significant price increases.

- Bear Market

Prices stabilize or drop as the market consolidates.

# HISTORICAL HALVING CYCLES

Halving Year	Price Peak
2020/21	\$69,000
2016/17	\$20,000
2012/13	\$1,000

\*Data from historical Bitcoin price records

# ADOPTION CURVE

1

Bitcoin was seen as speculative and risky in the early days

2

Increased mainstream attention as companies like Tesla and funds like Blackrock started investing

3

Global adoption as countries like El Salvador adopted Bitcoin as legal tender

4

Wider acceptance and regulatory clarity may drive further adoption in the future

# BITCOIN'S LONG-TERM TREND

Despite short-term volatility, Bitcoin has been in a consistent upward trend since its inception in 2009. This upward trajectory is evident when considering Bitcoin's long-term growth, emphasizing the importance of focusing on the broader picture rather than daily price fluctuations.

