



# THE CRYPTOCURRENCY QUICK-START GUIDE

Palm Beach Research Group's Complete Guide to the Cryptocurrency Markets

By Teeka Tiwari



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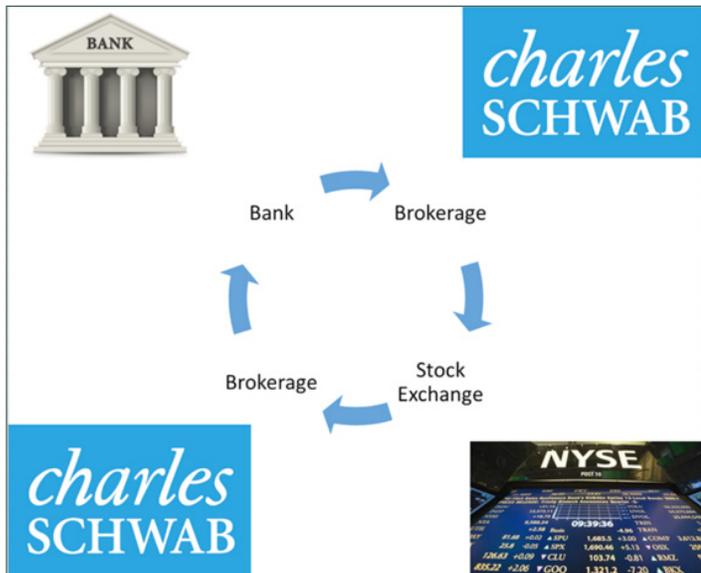
## PALM BEACH RESEARCH GROUP'S COMPLETE GUIDE TO THE CRYPTOCURRENCY MARKETS

By Teeka Tiwari

Welcome to cryptocurrencies. If you are new to this space, don't worry; we'll show you everything you need to get started.

The easiest way to understand how cryptocurrencies work is to compare them to traditional stock trading.

The picture below shows the traditional stock trading ecosystem. As you can see, you take funds from your bank account and send it to your brokerage account. Then, your broker connects you to the exchanges where you can buy stocks, bonds, options, etc. When you sell, the process reverses. Money from a stock you sell goes back to your brokerage account and then to your bank account if you choose.



The traditional stock trading ecosystem is well-developed. That's why you can get away with using just one service, like Charles Schwab in the picture above.

The cryptocurrency ecosystem is still in its infancy. It's not as built out as the traditional stock trading ecosystem. Therefore, we may need to use two or more services to accomplish our goals.

### Cryptocurrency Lesson No. 1

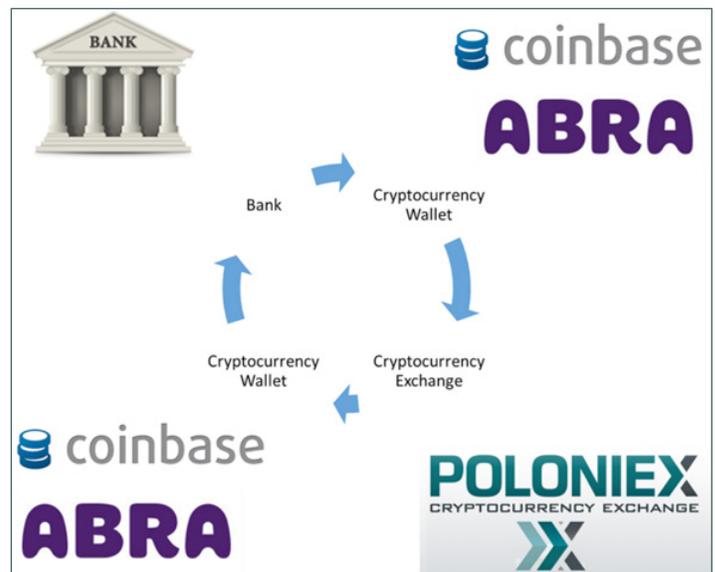
Here's the first thing you need to know about cryptocurrencies: The entire space is still very young and being developed.

It is not yet at the same point the stock ecosystem is, where you can get everything done through one service.

That makes it a bit more difficult to get into the cryptocurrency space. But that difficulty is also our opportunity—an opportunity to get in before everyone else.

### The Cryptocurrency Ecosystem

Below is a picture of the cryptocurrency ecosystem. It's similar to the traditional system. However, the services are a bit different. Don't worry if you are not familiar with these services. We'll review each later in this guide.



With the cryptocurrency ecosystem, it all starts with converting your local currency to bitcoin.

Then, you use cryptocurrency wallets to store your cryptocurrencies.

And you use cryptocurrency exchanges to buy and sell cryptocurrencies.

In a minute, we'll go over in more detail how it all works together.

## Cryptocurrency Lesson No. 2

While the traditional stock system operates through brokerages such as Charles Schwab, in the cryptocurrency system, we use cryptocurrency wallets and cryptocurrency exchanges.

What exactly is a cryptocurrency wallet? A cryptocurrency wallet is a secure digital wallet to store, send, and receive a digital currency like bitcoin.

And what is a cryptocurrency exchange? It's an online platform where you can buy, sell, or exchange cryptocurrencies for other digital currencies.

What's important to understand is that **cryptocurrencies cannot be bought through traditional brokerage accounts**. For example, if you go to your Schwab or Fidelity account and try to buy BTC (the symbol for bitcoin), you'll end up with Bangkok Terminal PCL, not bitcoin.

You cannot buy cryptocurrencies on a traditional stock exchange.

## What Else Do I Need to Know?

As you read our issues, you'll notice that each new pick comes with a buy-up-to price and stop loss. You'll also see them in the portfolio. So what are those?

A buy-up-to price is the maximum price we want you to pay for a cryptocurrency or stock. It's designed so that you never overpay for a cryptocurrency or stock.

Our buy-up-to prices are in U.S. dollars unless otherwise noted. However, cryptocurrencies are generally priced in bitcoin. So how do you get from one price to the other?

Simply use the CoinDesk [bitcoin calculator](#). You type in the bitcoin price, and it will give you the U.S. dollar price.

A stop loss is a capital preservation strategy designed to limit our losses. Due to the volatility of cryptocurrencies (meaning they have big price swings), we generally do not set a stop loss. Instead, we recommend that you use prudent position sizes. That means not investing more than you are comfortable losing.

Okay, now that we've gone over the basics, you're ready to start buying cryptocurrencies.

## Cryptocurrency Lesson No. 3

Remember this from above: Buying cryptocurrencies starts with converting your local currency to bitcoin.

And this is where the process can get confusing for those new to cryptocurrencies.

Not all cryptocurrency services support conversion from your local currency to bitcoin.

In other words, with some cryptocurrency wallets, you can exchange your local currency for bitcoin. But with others, you cannot. Same for the exchanges. Some offer local currency conversion, while others don't.

## What's the Right Service for You?

We would love to give you a precise answer.

But there is no right answer. The truth is: It depends. The right services to use depend on you and your needs.

This guide will cover the main services we use and recommend so you can make an informed decision on what works best for you.

## Your First Step With Cryptocurrencies – Buying Bitcoin

The first step is to convert your local currency to bitcoin. Remember from Cryptocurrency Lesson No. 3 that not all services offer this feature. Below is a list of services we recommend that offer conversion of your local currency to bitcoin.

**(Important Note:** As part of the process of converting U.S. dollars to bitcoin, you will need to verify your identity with these services. That means you'll need to provide information such as your name and address and upload a form of ID. Generally, the process takes 48 hours, however, due to heavy volume, it can take longer.)

Services for Converting U.S. Dollars to Bitcoin				
Name	Type	App or PC	What can you buy?	Is it good for storage?
Gemini	Exchange	Both	Bitcoin & ether	No
Coinbase	Wallet	Both	Bitcoin & ether	No
Abra	Wallet	App	Bitcoin	Yes
Edge	Wallet	App	Bitcoin	Yes

As you can see from the list, at the time of this writing, we have four choices for converting U.S. dollars to bitcoin.

Let's go over the differences between the services. Abra and Edge are wallets, while Gemini is an exchange.

Coinbase is the only one available for both PC and smartphones as an app. Abra and Edge are available as smartphone apps only.

For storage, we recommend storing bitcoin where you have control of the private key. Both Abra and Edge check this box.

Coinbase does not give you control of your private key. It does this to make its product easier to use. However, without the private key, you lack complete control. Therefore, we recommended that if you buy bitcoin on Coinbase, you store any long-term holdings in a wallet where you control the private key. (We'll provide a list of alternative wallets in a moment.)

In general, we recommend that you do not use any

of the exchanges for storage. These are centralized services where you do not control the private keys. Therefore, there's an element of risk to holding coins on an exchange.

For example, if you use the Gemini exchange to buy bitcoin, then we would recommend moving any long-term holdings into an alternative wallet.

For instructions on how to sign up and use these services, please refer to the [Crypto Corner](#).

## Storing Bitcoin and Other Cryptocurrencies

After buying your first bitcoin, you're going to need a place to store it.

That's where cryptocurrency wallets come in.

As we learned from the section above, Abra and Edge are bitcoin wallets. But we only recommend storing your bitcoin and other cryptocurrencies in Abra and Edge. That's because you don't have complete control of your private key with Coinbase or Gemini. However, there are additional wallets you can use. Check out the list below:

Bitcoin Wallets		
Name	USD	Notes
Abra	Yes	Only available as an app
Edge	Yes	Only available as an app
Jaxx Liberty	No	PC, app, Chrome extension
Blockchain.info	No	Only available as an app
Hardware wallets	No	More info in the Crypto Corner

In addition to Abra and Edge, we also have the Jaxx Liberty wallet and the Blockchain.com wallet.

Unlike Abra and Edge, these wallets do not allow users to convert U.S. dollars to bitcoin. They are good, however, for storing bitcoin.

Jaxx Liberty has the added advantage of being available both on your PCS and smartphone. And it has the additional feature of supporting multiple cryptocurrencies for storage.

For instructions on how to sign up and use these services, please refer to the [Crypto Corner](#).

Hardware wallets store your bitcoin with additional layers of safety. Again, you can visit the [Crypto Corner](#) for more details.

## Cryptocurrency Exchanges

Once you are able to buy bitcoin and store it safely, the next step is to sign up to cryptocurrency exchanges so you can buy other cryptocurrencies.

The table below shows the major exchanges we recommend:

**Please note:** Some of these services may not currently be available for users in all countries.

Services for Buying Cryptocurrencies for Bitcoin		
Name	USD	What can you purchase?
Poloniex	No	Over 60 cryptocurrencies
Bittrex	No	Over 100 cryptocurrencies
Gemini	Yes	Bitcoin, ether, and three others
Kraken	Yes	Bitcoin, ether, + 18 others

The first exchange we recommend is Poloniex. It's the most liquid exchange. That means it has the most amount of trading volume. And that means you'll get the best prices and lowest spreads at Poloniex. Poloniex offers over 60 cryptocurrencies to buy.

The next exchange we recommend is Bittrex. It doesn't have the same liquidity as Poloniex, but it's overall very good. Bittrex offers over 100 cryptocurrencies to buy.

Please note that neither Poloniex nor Bittrex offers the

option to directly deposit your local currency to the exchange. To use these exchanges, you'll need to buy bitcoin first then transfer your bitcoin to the exchange.

The next exchange is Gemini. While the Gemini exchange does offer currency conversion, only a limited selection is available to buy. If you are looking to buy additional cryptocurrencies, you'll most likely need to transfer your bitcoin from the Gemini exchange to another exchange.

Finally, there is the Kraken exchange. It does offer local currency conversion, but it must be done through a wire, so you are subjected to expensive wire fees. Kraken offers dozens of cryptocurrencies you can buy.

For instructions on how to sign up and use these services, please refer to the [Crypto Corner](#).

## Crypto Guide Wrap-Up

This is a brief overview of the services you need to get started.

For additional instructions and details on each service, don't forget to head over to our [Crypto Corner](#).

To start using cryptocurrencies today, begin by buying bitcoin with your local currency. Review the services listed above and choose the right one for you. You may even find it's in your best interest to use multiple services.

The next step is to download a wallet for bitcoin storage. Again, the best one depends on your circumstances. For example, if you don't own a smartphone, you would want to avoid using Abra or Edge.

Finally, sign up to one of the exchanges so you can convert bitcoin into other cryptocurrencies.

To review our guide on setting up Abra, Poloniex, and MyEtherWallet accounts or setting up Jaxx and Blockchain.info accounts, visit the [Crypto Corner](#).

As always, if you have any questions, please reach out to us through the [Contact Us](#) page.

## Pro Tips

***Do I have to buy a whole bitcoin?***

No, bitcoin is divisible to the eighth decimal point. That means the smallest unit of bitcoin, called a Satoshi, is 0.00000001 bitcoin.

You can buy any dollar amount of bitcoin you want.

***I'm new to cryptocurrencies and still gaining comfort with the services. What can I do so that I don't lose my money?***

First, take some time to learn about the services before you use them.

You'll find videos in our [Crypto Corner](#). Plus, each service generally has an FAQ section where the most common questions are answered.

Second, when you start using a service, test it out with small transactions. That way, if you don't like the service or run into problems, you have taken very little risk.

And third, most problems arise from transferring coins from one service to another. Before you hit send, make sure you are sending to the right wallet. For example, you do not want to send bitcoin to an ether wallet. Also double-check the address before sending. A quick way is to check the first four and last four characters of the address. As long as they match up, you're good to go.

***I sent bitcoin from Coinbase to Poloniex, but it's not showing up. What do I do?***

This problem is not specific to Coinbase and Poloniex. It can happen with any service.

First, check the address. If you entered the wrong address, you would need to contact the receiver. In

this case, it's Poloniex. It may be able to recover the funds.

Second, check your email. You may need to confirm the transaction by clicking on a link sent to your via email.

Third, it's possible your transaction just hasn't been confirmed yet. Remember: On the bitcoin blockchain, a block is generated roughly every 10 minutes.

***I signed up to Abra, but the limit is too low. What can I do?***

There are a few actions you can take to increase your limits. The first is to sign up with multiple services. Then, your combined limit will increase with each service added.

The next action you can take is providing additional identity verification. Each service has a section where you can provide additional information.

Finally, you can get your limits increased by consistently making small purchases. For example, you could purchase \$25 worth of bitcoin every two weeks. This will help to develop the relationship and will result in periodic limit increases.

***The wallet for my cryptocurrency at Bittrex or Poloniex is temporarily disabled. What does this mean?***

It means that Bittrex or Poloniex is performing regularly scheduled maintenance on the wallet.

This is normal. Wallet functionality is generally back up and running within 24 hours.

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Customer Care: Toll-Free: (888) 501-2598, International: (561) 921-8774, Mon–Fri, 9am–7pm ET, or email [support@palmbeachgroup.com](mailto:support@palmbeachgroup.com).

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