

# ***CRYPTOCURRENCY EXCHANGES 101***

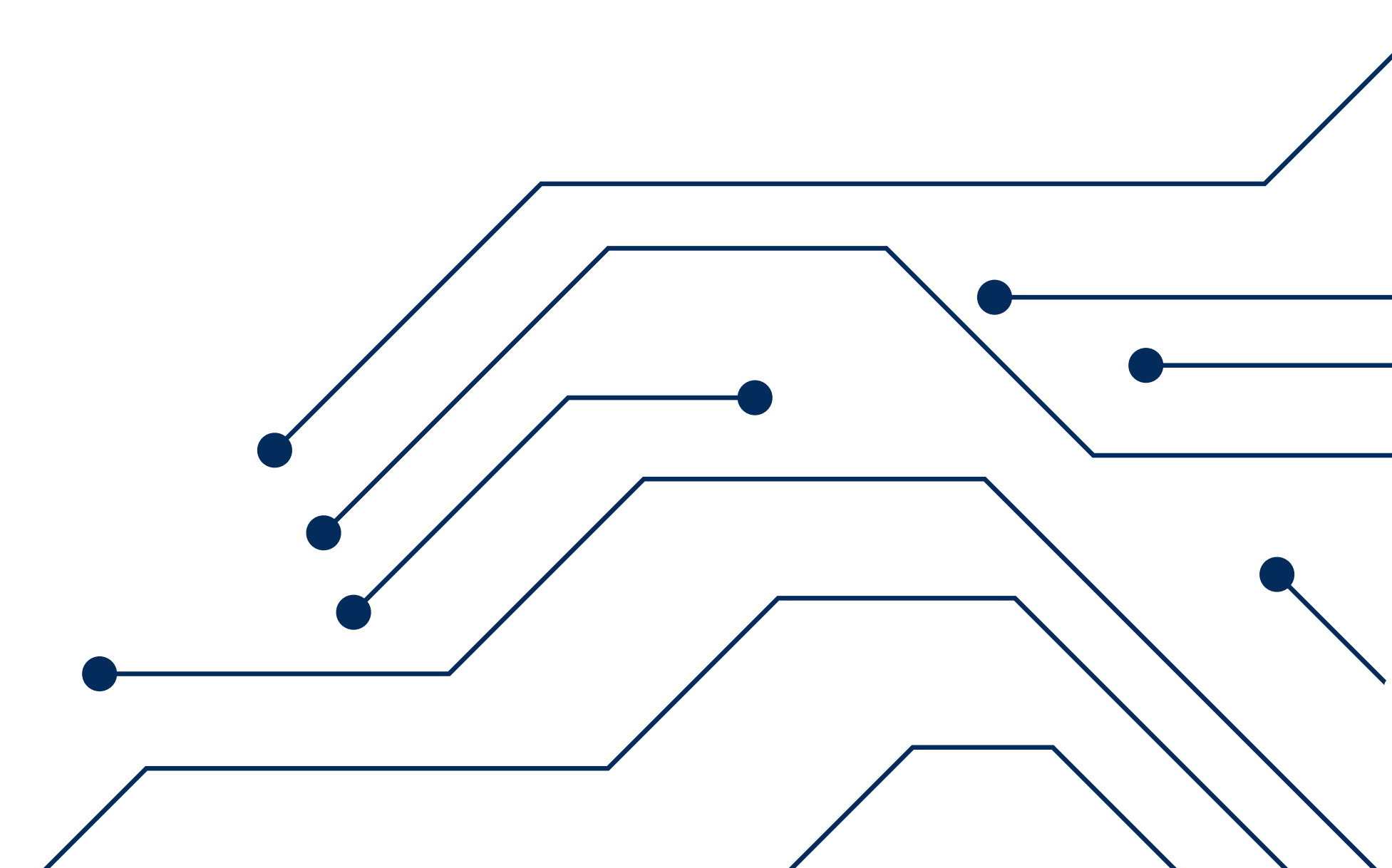
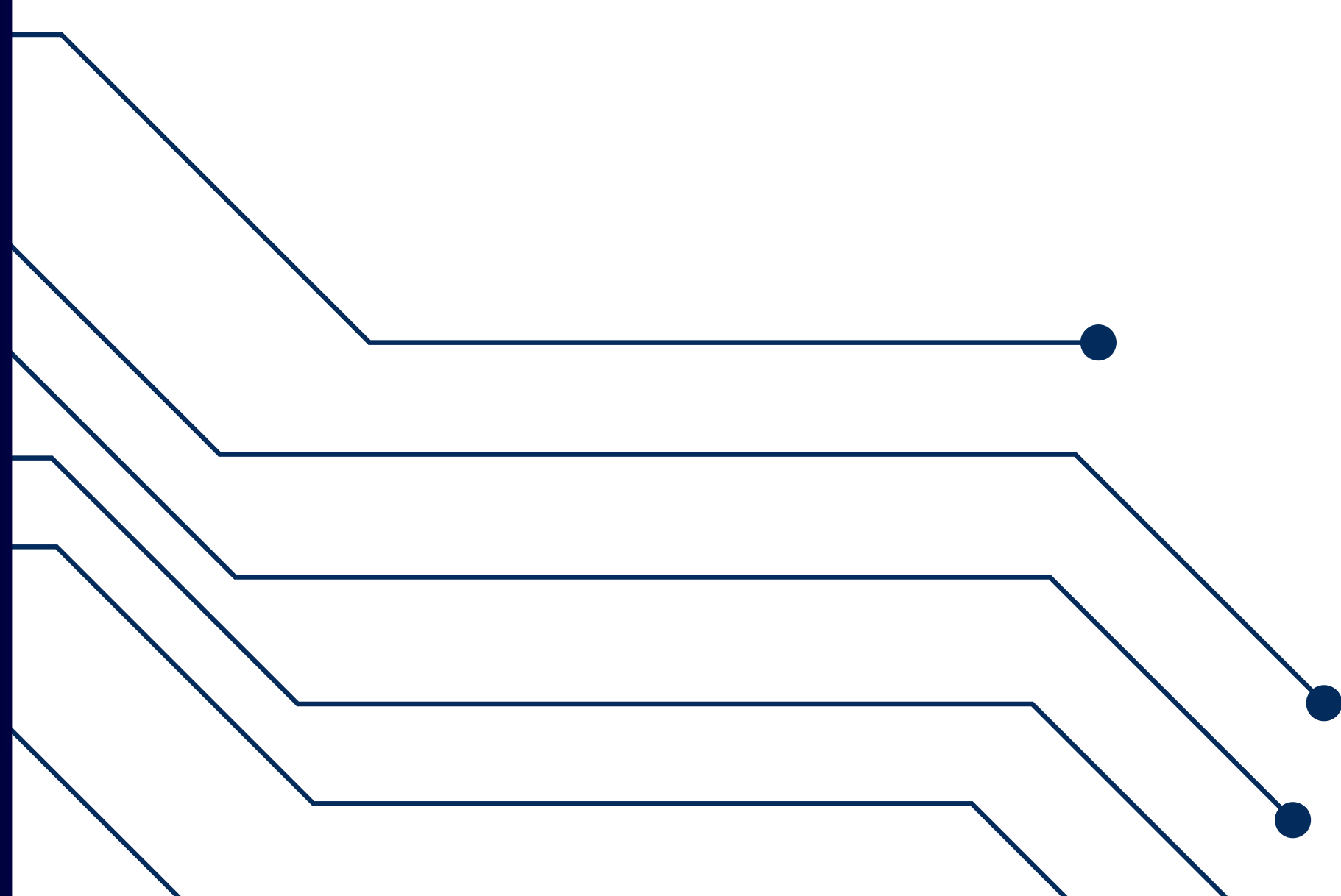




Cryptocurrency exchanges are basically online platforms that allow their users to exchange one cryptocurrency for another based on the current market valuations of each cryptocurrency. Some of the most popular cryptocurrency exchanges include Coinbase Pro, Binance, KuCoin, and Kraken. Each particular cryptocurrency exchange has different cryptocurrencies and pairings of cryptocurrencies. For example, Binance has the BTC/ETH pair in which one could sell BTC for ETH or alternatively buy BTC using ETH.

While Coinbase is mainly used to buy cryptocurrencies with fiat money and then send them to offline wallets or exchanges to trade, it is also an exchange in itself with its product Coinbase Pro that is also available to users looking to trade right through Coinbase.

Binance and Kucoin are mainly exchanges where one would need to send cryptocurrencies to the particular exchange in order to trade it for different coins. So, if for example someone found a cryptocurrency that was trading on Kucoin but not available on Binance or Coinbase, they would need to then set up a Kucoin account in order to buy it.



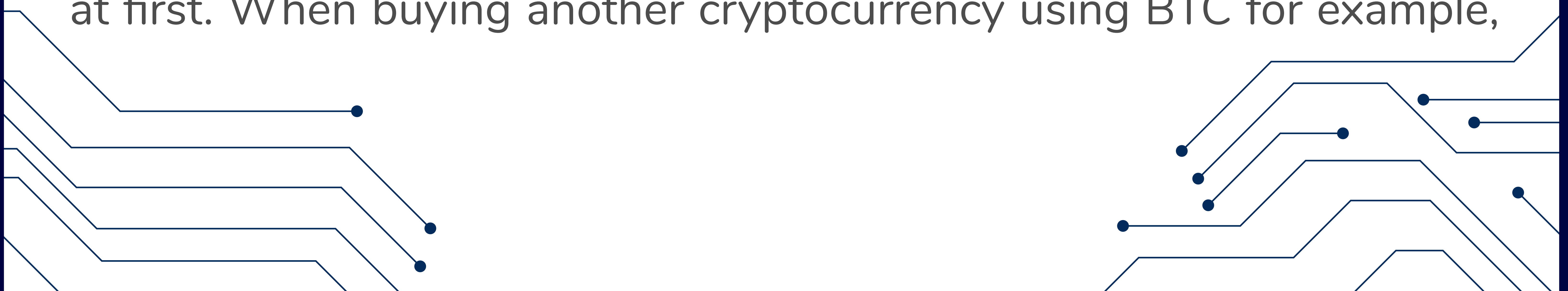


After creating the Kucoin account, they would need to fund the account with the correct cryptocurrency used to purchase the coin of their choice. So, if there was only a BTC/(whatever coin) pair on Kucoin for the coin that was wanted, BTC is what should be sent to your Kucoin BTC address in order to purchase that coin.

Some exchanges like Uphold and Crypto.com allow for users to get a debit card that can be used worldwide to purchase goods using the cryptocurrencies stored on the exchange. It just depends what coins a person is wanting to buy or how they plan to use their cryptocurrencies once purchased. Exchanges are the best way to get the best deal on coins in circulations.

By checking Coinmarketcap.com, one can find what exchange sells each particular coin. Once that information is found, it's just a matter of signing up to the exchange and getting the right cryptocurrency to buy the coin of choice.

When looking at the market on an exchange it can be a bit confusing at first. When buying another cryptocurrency using BTC for example,

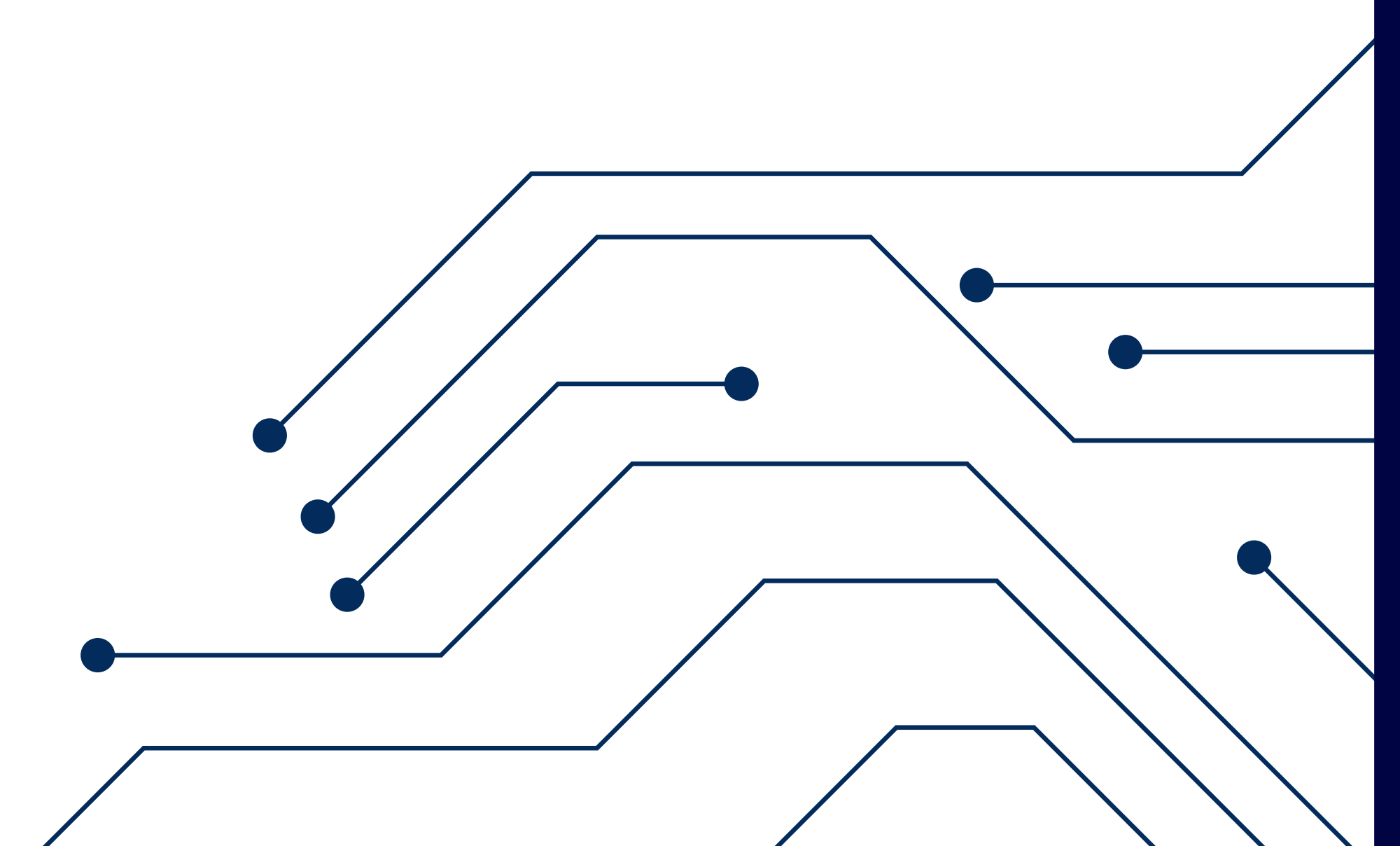
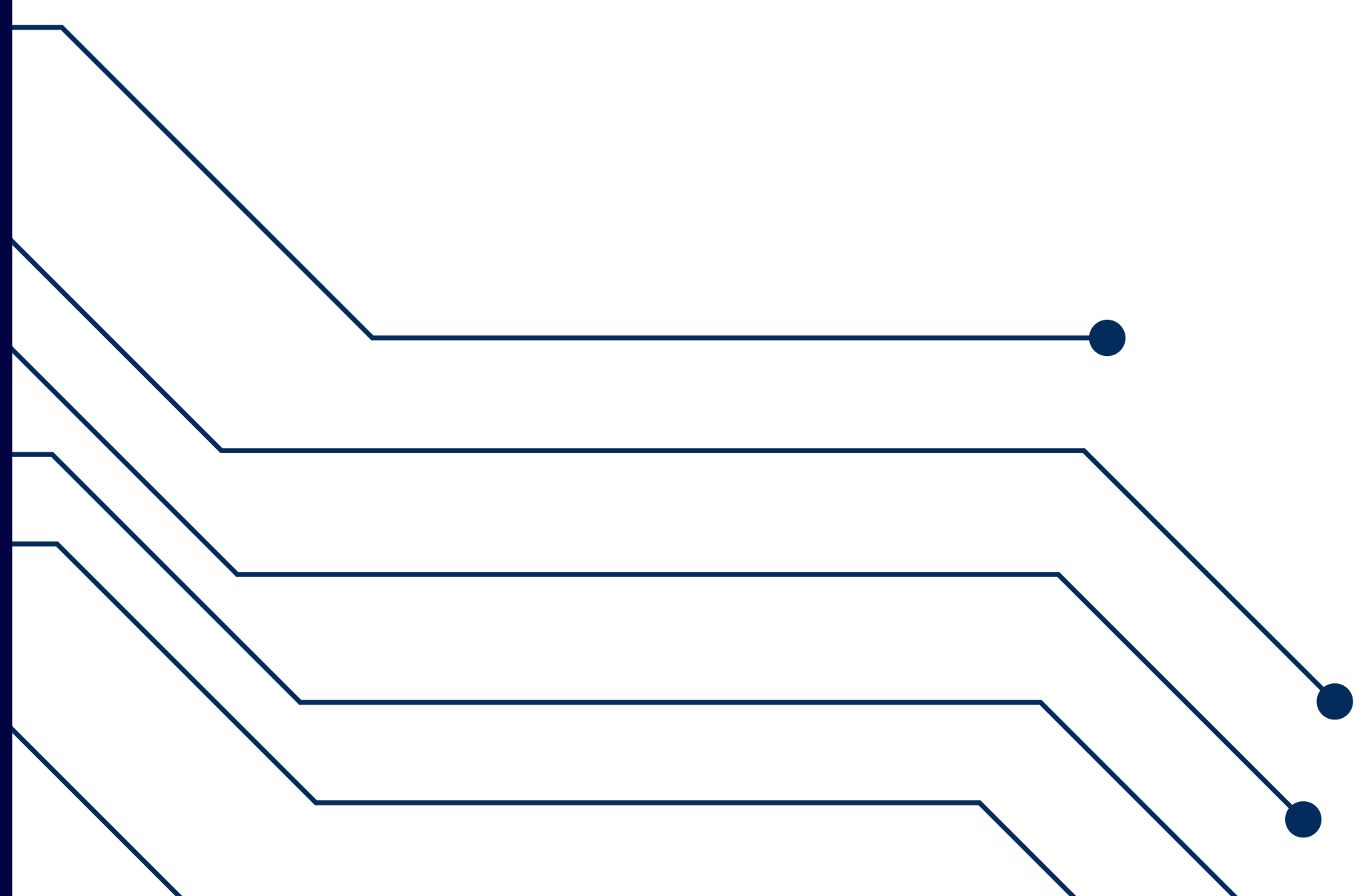




one will see the amount of BTC that the particular coin is currently selling for and being bought for. When buying, it is smart to use a similar amount to other transactions that have recently passed.

Also, one can put in buy and sell orders at certain limits, where the transaction would immediately go through if the cryptocurrency reached the limits set by the user. By using this feature, one can get cryptocurrencies at the exact price that they wanted to buy in at, and also sell at the rate in which they can maximize their profits.

The only problem with this is, most all your cryptocurrencies and money are on the exchanges waiting for particular buy and sell levels. If the exchange goes down or gets hacked, your money will be gone with it. Because if it's not your keys, it's not your cryptocurrency, and exchanges don't give out keys to wallets or accounts. They act as a place to buy, sell, and trade but few trust them to hold a large number of cryptocurrencies on. In those cases, it is best to invest in a cold storage wallet.





If you're brand new to the crypto space, I would recommend getting familiar with Coinbase first and Binance or Binance.US if in the United States. With these two services, you will be able to buy your first cryptocurrencies as well as exchange them for newer coins that may have a potential to become much more valuable in the future.

