Crypto Mastery

Presented by
SHUÒ CHÉN – KEITH CHINNOCK

DAY 1

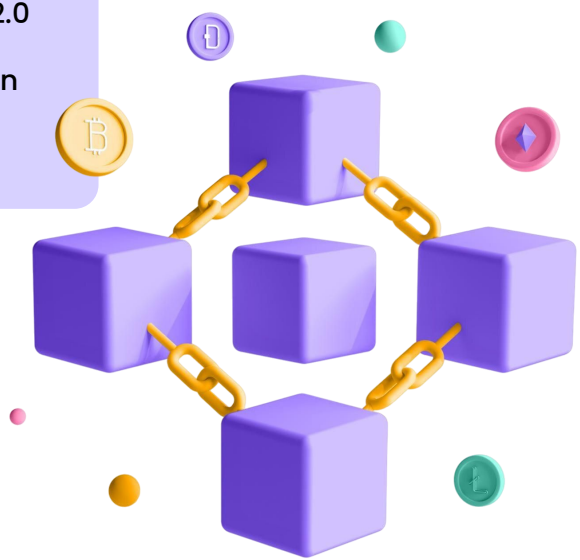
Crypto Basics and Exchanges

1. Introduction to cryptocurrency and blockchain.
2. Overview of major cryptocurrencies and tokenomics.
3. DeFi versus CeFi
4. Deep dive into centralized exchanges (CEX): how they work, setting up accounts, pros and cons.
5. Deep dive into decentralized exchanges (DEX): how they work, using them effectively, pros and cons.

Blockchain

Types of Blockchain

Proof of stake - Ethereum 2.0
Proof of work - Bitcoin
Proof of authority - VeChain
Delegated POS - EOS
Proof of history - Solana



What is a Blockchain?

- A blockchain is essentially a chain of recorded data blocks, where each block contains a list of transactions.
- Each block is linked to the previous one by a cryptographic hash, creating a secure and chronological chain.

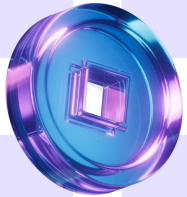
Cryptocurrency

- Cryptocurrency is a **type of digital or virtual currency** that uses cryptography for security and operates on a decentralised network, typically a blockchain, to enable secure and transparent transactions.
- They are referred to as coins or tokens depending on their function

Coins and Tokens

1. Bitcoin (BTC)
2. Ethereum (ETH)
3. Tether (USDT)
4. USD Coin (USDC)
5. Binance Coin(BNB)
6. XRP (XRP)

7. Solana (SOL)
8. Cardano (ADA)
9. Polkadot (DOT)



10. Dogecoin (DOGE)
11. Litecoin (LTC)
12. Bitcoin Cash (BCH)

Tokenomics

Understand the token / coin purpose

Read the white papers
Check market cap

Types and uses of coins/tokens

-Stable coins are like having digital money in a bank
-Store of value or digital money for payments
-Utility tokens services or functionality secure contracts
-Governance for voting on decisions decentralised organisation
-Security tokens for ownership of real world assets and can pay dividends
-Privacy and anonymity
-Creating secure money exchanges
-Creating interest in a community but have no actual function – meme coins

NFTS

Non-fungible tokens, are unique digital assets that represent ownership or proof of authenticity of a specific item or piece of content, such as art, music, videos, or even virtual real estate, and they are typically bought, sold, and traded on blockchain platforms.

DeFi vs CeFi

Centralised Finance

- Regulated
- Customer support - People actually work in physical buildings, also AI bots.
- Some security – organisations can and do go backrupt
- Some insurance against losses, as per banks
- 2FA

Decentralised Finance

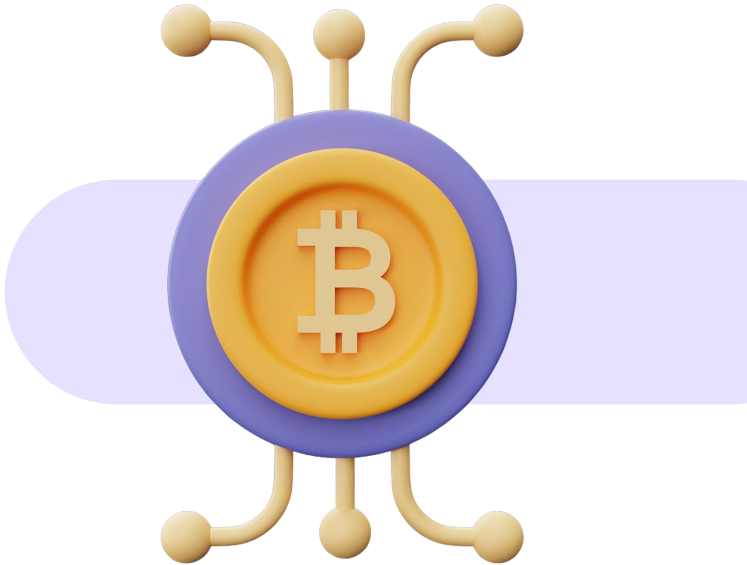
- You control your assets, no restrictions
- Software programs
- Customer support - No human to speak to usually, but AI bots.
- Less secure
- No insurance for losses – you are fully accountable

CEX_Centralised Exchange

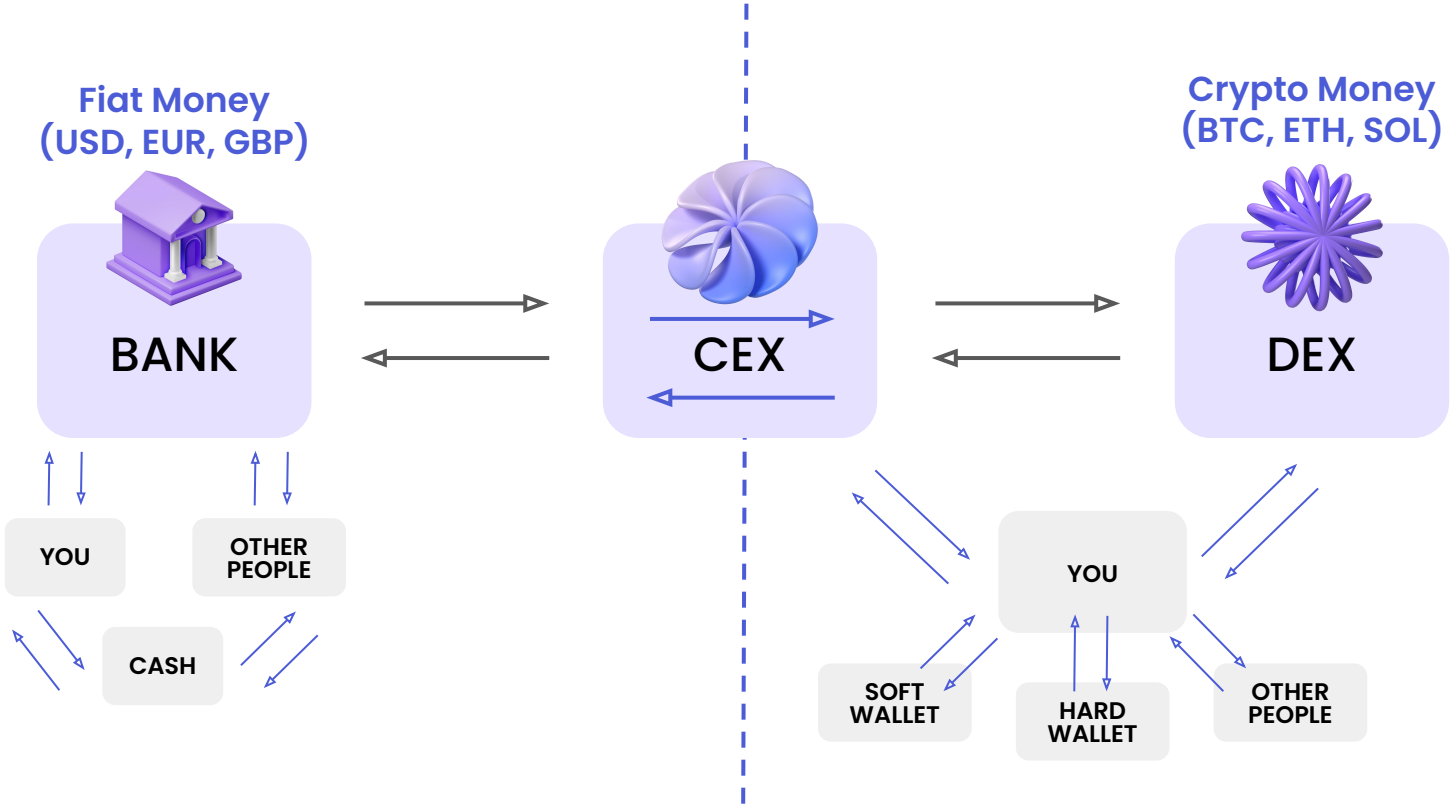
- Centralised exchanges, or CEXs, are platforms that are operated by a central organisation.
- They act as intermediaries between buyers and sellers, and they typically hold users' funds in their own custodial wallets.
- This makes them user-friendly and convenient, but it also means that users have to trust the exchange with their assets.

DEX_Decentralised Exchange

- Decentralised exchanges, or DEXs, on the other hand, operate without a central authority.
- They use smart contracts on the blockchain to facilitate trades directly between users, which means you retain control of your funds at all times.
- The trade-off is that DEXs can sometimes be a bit more complex to use, but they offer more privacy and security for those who prefer a non-custodial approach.

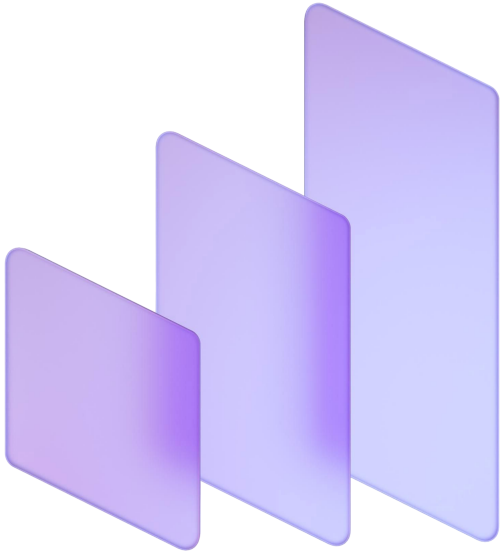


DeFi vs CeFi


Fiat Money
(USD, EUR, GBP)
BANK
YOU
OTHER PEOPLE
CASH
CEX
Crypto Money
(BTC, ETH, SOL)
DEX
YOU
SOFT WALLET
HARD WALLET
OTHER PEOPLE

Layer 1 and Layer 2

- Layer 1 refers to the base layer of a blockchain, like the main blockchain itself – BTC, ETH
- Layer 1 blockchains handle all the fundamental transactions and security directly on their own chain.
- Layer 2, on the other hand, is a secondary framework or protocol built on top of a Layer 1 blockchain.
- Layer 2 solutions are designed to improve scalability and speed by handling transactions off the main chain and then recording them back onto the Layer 1 chain.
- Layer 2 blockchains usually have cheaper transaction fees.



DAY 2

Wallets and Security

1. Setting up and using soft wallets: types, security practices
2. Setting up and using hard wallets: types, security practices
3. Security best practices: avoiding scams, managing private keys, recovery phrases.

Soft wallets

What are they?

- Software programs
- On exchanges
- Independent apps
- Extensions in browsers

Soft wallets to consider

- **Coinbase Wallet:** User-friendly and supports over 5,500 cryptocurrencies.
- **MetaMask:** Popular for Ethereum and ERC-20 tokens, with a browser extension and mobile app.
- **Trust Wallet:** Multi-chain support, including Ethereum, Bitcoin, and Solana.
- **Exodus:** Desktop and mobile wallet with built-in exchange features.
- **Zengo:** Focuses on security with biometric logins and no seed phrases.
- **Phantom:** Designed for Solana, also supports Ethereum and Polygon.
- **Guarda:** Multi-currency support with desktop, mobile, and web access.
- **Electrum:** Lightweight and fast, ideal for Bitcoin users.
- **Samourai Wallet:** Privacy-focused Bitcoin wallet with advanced features.
- **Bitcoin Core:** Full node wallet for Bitcoin, offering complete control.

Each wallet has its own unique features and benefits, so it's worth exploring which one aligns best with your needs and the types of crypto you want to manage.

Hard wallets

What are they?

- Physical devices similar to USB keys
- Stand alone storage
- Disconnected from internet
- Also known as cold storage
- Very safe

Hard wallets to consider

- **Ledger Stax**: Known for its sleek design and extensive support for over 5,500 cryptocurrencies.
- **Trezor Safe 5**: Offers robust security features and a user-friendly interface.
- **NGRAVE ZERO**: Features air-gapped technology for enhanced security.
- **Ledger Nano S Plus**: A more affordable option with support for a wide range of cryptocurrencies.
- **Trezor Model One**: A reliable and cost-effective choice for those new to hardware wallets.
- **Ledger Nano X**: Combines Bluetooth connectivity with support for numerous cryptocurrencies.
- **Trezor Model T**: Offers a touchscreen interface and advanced security features.
- **SafePal S1**: A budget-friendly option with a built-in camera for scanning QR codes.
- **KeepKey**: Known for its large display and integration with various software wallets.
- **Bitkey**: A newer entrant focusing on user-friendly design and security.

Security

Soft and hard wallets

- Protection of seed phrases
- Unique 12 / 16 / 24 random word sequence
- Keep at least 2 copies
- Etched on a plate in a safe

Hard wallets

- Very safe when not connected to a computer
- Seed phrases same as soft wallets
- Also password protected
- Require software driver or app to interface with the crypto space

Passwords

- Never share seed phrases / private keys
- Always disconnect from sites and lock when finished
- transferring from wallet to wallet, exchange to exchange, or wallet to / from exchange
- Double check the sending and receiving addresses
- Difficult or impossible to recover the asset if sent to incorrect address

DAY 3

Liquidity Pools and Staking

1. Introduction to liquidity pools: what they are, how they work, risks and rewards.
2. Platforms for providing liquidity and earning yields.
3. Introduction to staking: what it is, how it works, different staking mechanisms.

Liquidity Pools

- Liquidity pools are a key part of decentralised finance.
- They’re basically pools of tokens locked in a smart contract that provide liquidity for decentralised exchanges.
- Users who contribute their tokens to these pools earn a share of the trading fees generated by the exchange.
- It’s a way to make trading more efficient and earn passive income at the same time.
- The rates of interest gained by supporting these instruments is usually far greater than any high interest bank account.

Staking

- Staking is when you lock up a certain amount of your cryptocurrency to support the operations of a blockchain network.
- In return, you usually earn rewards, like earning interest.
- It’s a way to help secure the network and participate in its governance.
- Lock up periods can be 30 days upto several months.
- Once again, the rates of interest gained by supporting these instruments is usually far greater than any high interest bank account.

DAY 4

Trading Strategies and Options

1. Basic crypto trading strategies: technical analysis, fundamental analysis, and risk management.
2. Overview of trading platforms and tools. Introduction to options trading for crypto (Bitcoin, Ethereum, Solana).
3. Platforms for options trading, basic options strategies, and risk management.

Strategies

1. Long term HODL – not really trading as such
    - **Perhaps for a small % of crypto holdings should be HODL'd**
2. Buy and trail with 1% limit
    - **Rebuy the dip each time**
3. Buy at support and Sell at resistance on HTF
    - **Manage SL**
4. Buy then Sell ½ at x% and close at next reversal
5. Always use a SL
6. Buy and Sell Options

Crypto Trading Platforms

- **Binance**: Known for its extensive range of cryptocurrencies and trading pairs.
- **Coinbase**: Offers a user-friendly interface, making it ideal for beginners.
- **Kraken**: Renowned for its robust security measures and wide selection of cryptocurrencies.
- **Gemini**: Provides a secure platform with a focus on regulatory compliance.
- **Crypto.com**: Features a comprehensive suite of crypto services, including a mobile app and debit card.
- **Bitstamp**: One of the longest-running exchanges, offering a reliable trading experience.
- **OKX**: Offers a variety of trading options, including spot and derivatives.
- **Bybit**: Known for its derivatives trading and high liquidity.
- **MEXC**: Offers a wide range of altcoins and competitive trading fees.
- **BitMart**: Provides access to numerous altcoins and user-friendly trading tools.

Crypto Option Trading Platforms

- **Binance**: Offers a robust options trading platform with European-style options contracts and a user-friendly interface.
- **Kraken**: Known for its high liquidity and regulatory compliance, providing advanced trading tools for options traders.
- **Bybit**: Features European-style cash-settled options with a user-friendly interface, catering to both beginners and experienced traders.
- **Deribit**: Specialises in cryptocurrency derivatives, offering options and futures trading with high liquidity.
- **BitMEX**: Provides a variety of cryptocurrency-based financial products, including options contracts, allowing traders to bet on price movements without owning the underlying assets.
- **Crypto.com**: Offers options trading alongside other crypto services, with a focus on security and user experience.
- **BitMart**: A global digital asset trading platform that includes options trading among its services.
- **Gate.io**: Offers a range of digital asset products and services, including options trading.
- **Plus500**: Provides online trading services in contracts for difference (CFDs), including options on futures, allowing users to trade various financial instruments.
- **Kalshi**: A trading exchange that allows both retail and institutional traders to place trades on various future events, including cryptocurrency-related contracts.

Practical Implementation

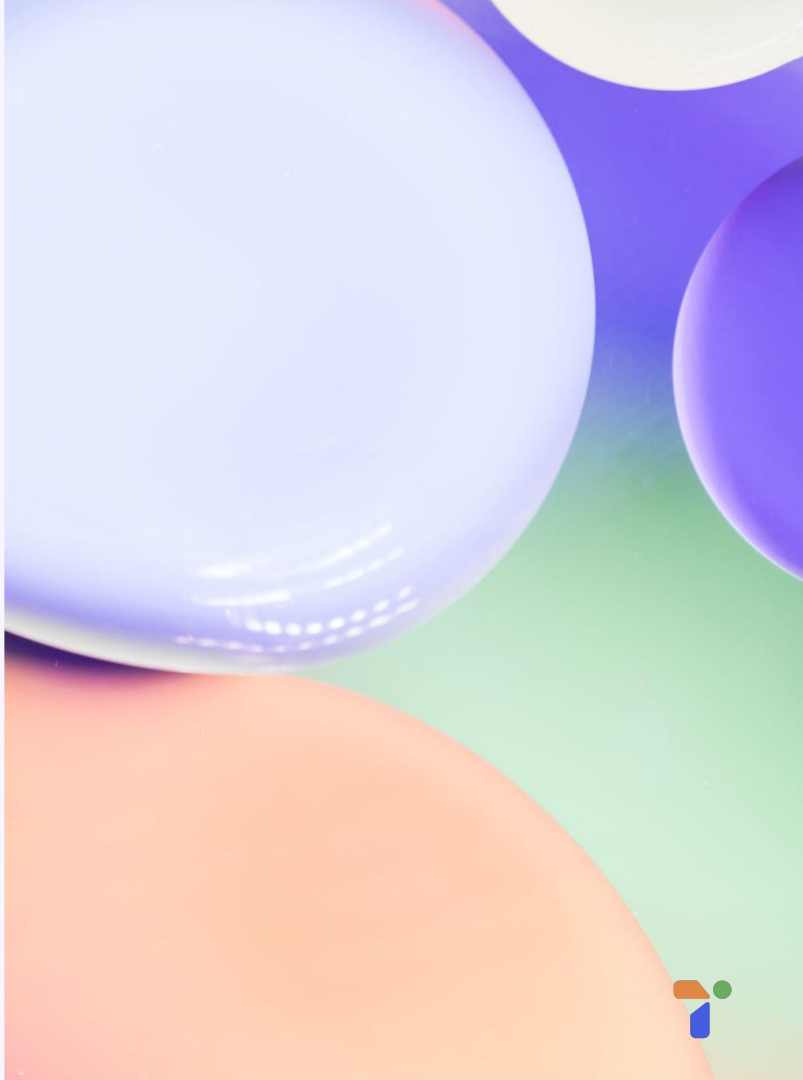
Weeks 2-4

Session 1

Setting Up and Securing Wallets

Practice setting up both soft and hard wallets.

Secure wallets with best practices and test small transactions to understand the process.



Session 2

Navigating Exchanges

Hands-on experience with a centralized exchange: depositing funds, buying/selling crypto, and withdrawing.

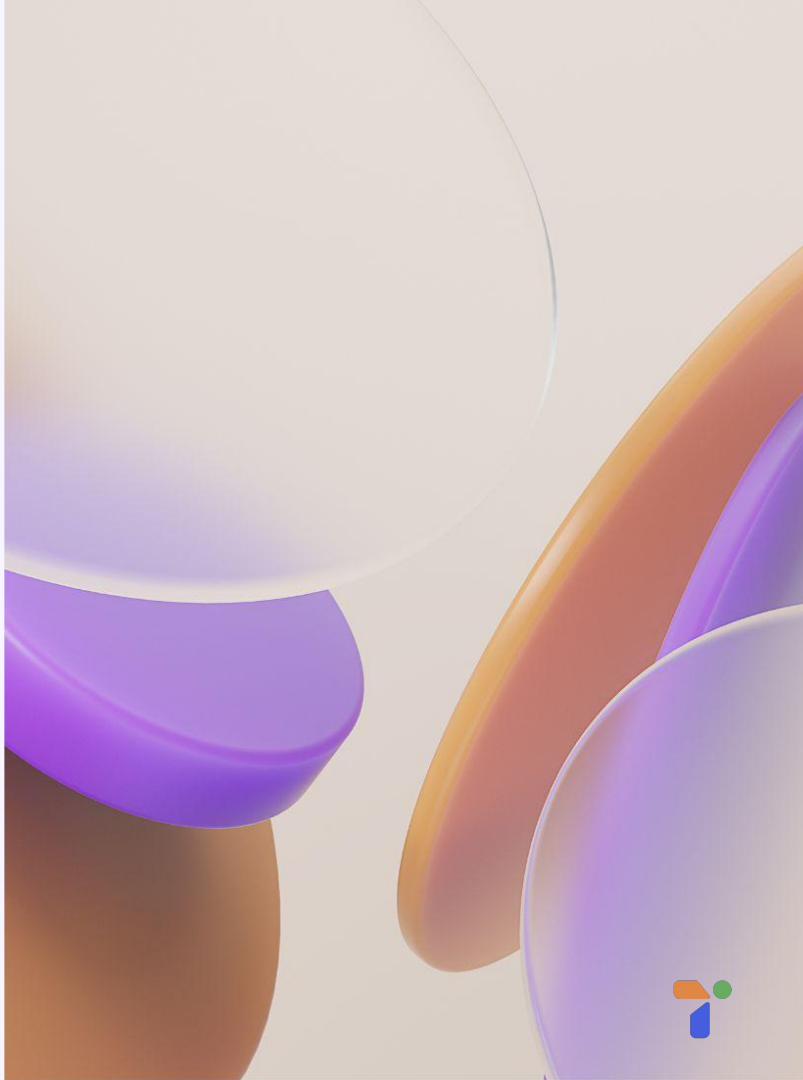
Hands-on experience with a decentralized exchange: connecting a wallet, swapping tokens, and providing liquidity.

Session 3

Advanced Exchange Features

Exploring advanced order types on exchanges (limit orders, stop-loss).

Practicing margin trading or futures trading (if applicable) in a demo environment.



Session 4

Liquidity Pools

Hands-on practice with providing liquidity on a DEX.

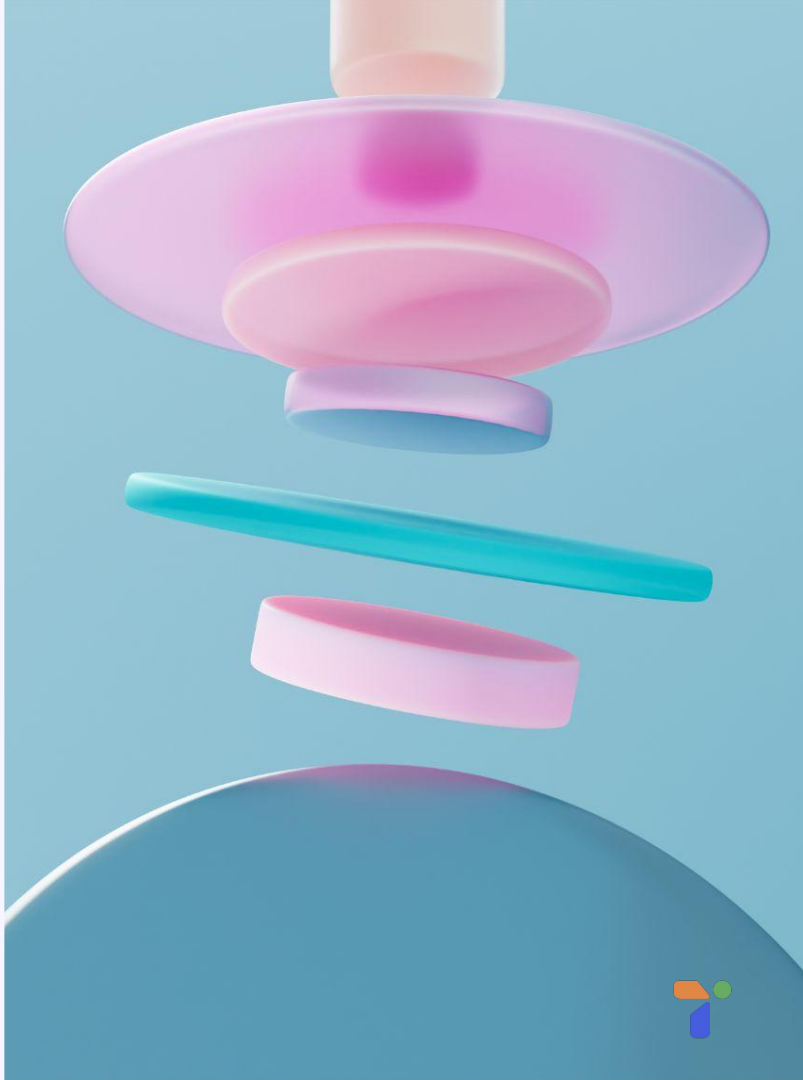
Monitoring liquidity pool positions and understanding impermanent loss.

Session 5

Staking

Practicing staking on different platforms (e.g., staking ETH, staking other tokens).

Understanding how to claim rewards and manage staked assets.



Session 6

Basic Trading Practice

Applying basic trading strategies: technical analysis and chart reading.

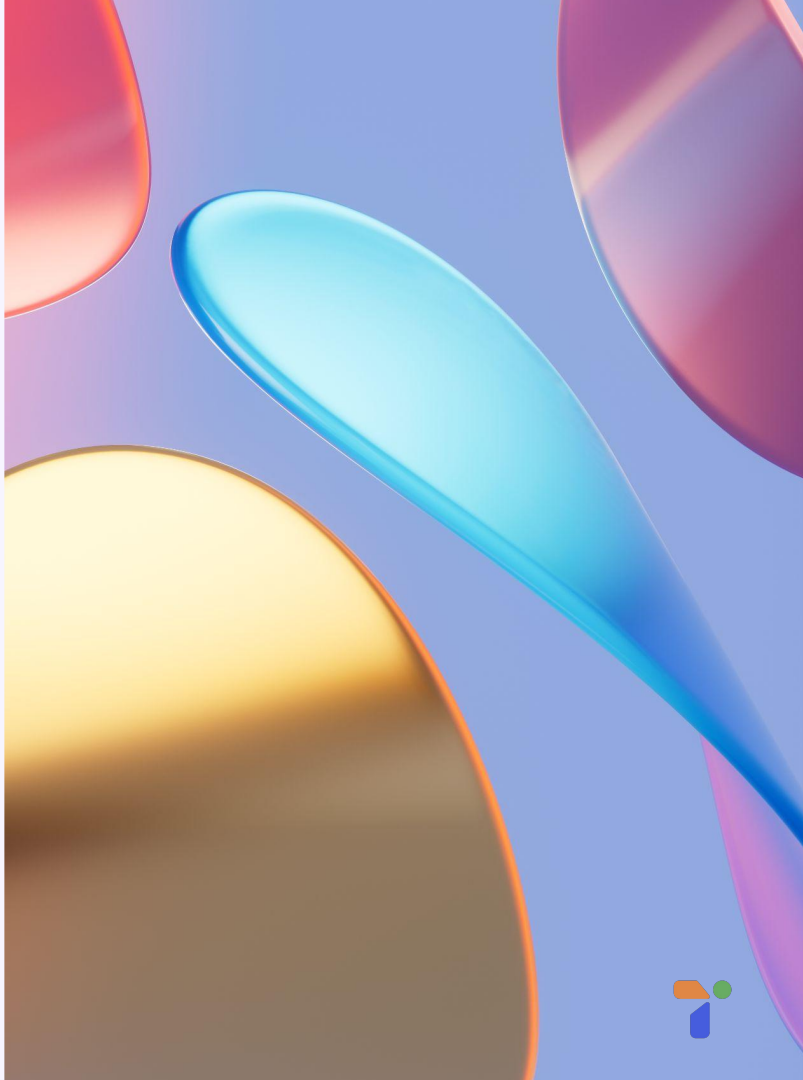
Practicing trades in a demo account or with small amounts to get comfortable.

Session 7

Options Trading Practice

Practicing setting up and executing basic options trades on a chosen platform.

Understanding option pricing and managing open positions.

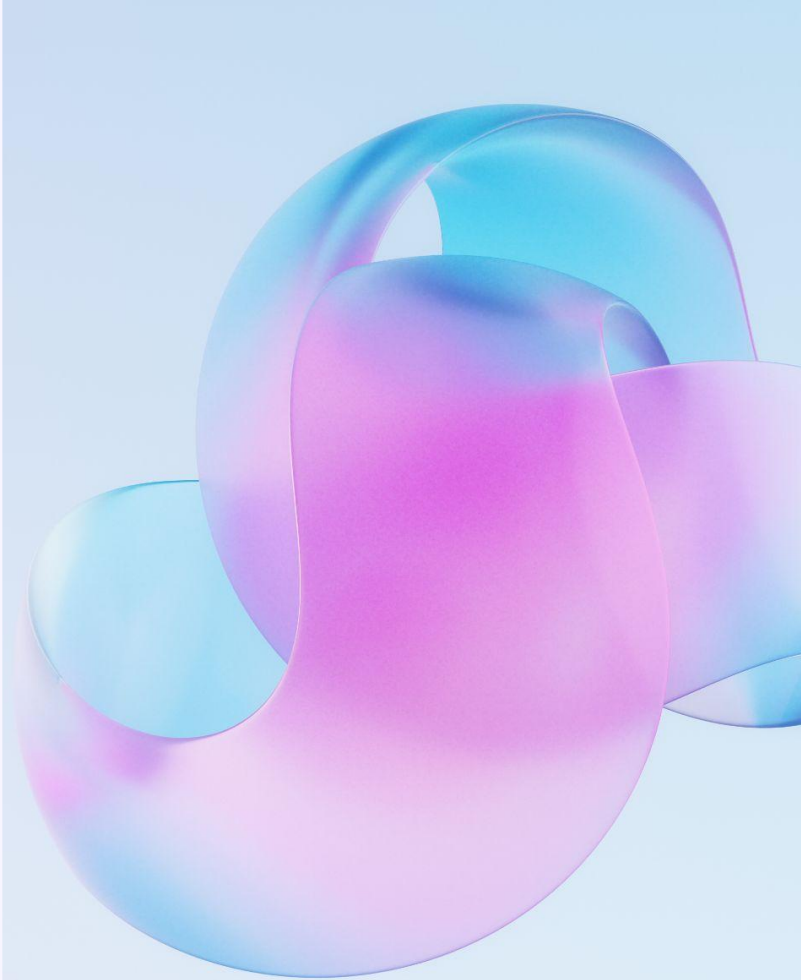


Session 8

Risk Management and Portfolio Balancing

Implementing risk management strategies learned in the first week.

Practicing portfolio balancing and diversification across different assets.



Session 9

Review and Q&A

Reviewing all practical exercises and addressing any challenges or questions.

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