

CRYPTOCURRENCY, 12TH SECTOR OF S&P





**WHAT IS
CRYPTOCURRENCY?**

**HOW DOES IT
WORK?**

**CRYPTOCURRENCY IMPACT ON
GLOBAL SOCIETY**

**CRYPTOCURRENCY SPACE
BECOMING THE 12TH SECTOR OF
S&P 500 INDEX**

WHAT IS CRYPTOCURRENCY?

Cryptocurrency is a digital payment system that doesn't rely on banks to verify transaction. It's a peer-to-peer system that can enable anyone anywhere to send and receive payments.

In technical terms, a cryptocurrency is an encrypted data string that denotes a unit of currency. It is monitored and organized by a peer-to-peer network called a blockchain, which also serves as a secure ledger of transactions, e.g., buying, selling, and transferring. Unlike physical money, cryptocurrencies are decentralized, which means they are not issued by governments or other financial institutions.

Cryptocurrency affects global society

Bringing the next level of globalization: as the cryptocurrency is digital currency and easily available across the international borders.

Emergence of one currency :for the countries of the world which are decentralized and not related to any country. This may make fiat money redundant in the future. It has made it easier for entrepreneurs to reach international markets rather than strictly sticking to the national markets.

Fast and Cheap Transactions: Cryptocurrencies are way cheaper to use to execute international transactions making transactions faster and accurate, there are less chances of fraud.

HOW DOES IT WORK?

Cryptocurrency works outside of the banking system using different brands or types of coins.

Cryptocurrencies (which are completely digital) are generated through a process called “mining”. This is a complex process. Basically, miners are required to solve certain mathematical puzzles over specially equipped computer systems to be rewarded with bitcoins in exchange. Cryptocurrencies run on a distributed public ledger called blockchain, a record of all transactions updated and held by currency holders.

****If you own cryptocurrency, you don't own anything tangible. What you own is a key that allows you to move a record or a unit of measure from one person to another without a trusted third party.**

Future of cryptocurrency

Cryptocurrencies are currently considered both a speculative instrument and a store of wealth, rather than a means of payment for ordinary transactions.

The Standard and Poor's 500, or simply the S&P 500, is a stock market index .There are currently a few S&P 500 companies that hold bitcoin on their balance sheet. Famed ***Shark Tank investor Kevin O'Leary, believes the cryptocurrency space will eventually become the 12th sector of S&P 500 index***