**HOW TO USE BITCOIN**

To develop, the uses of bitcoin, we will first know a few key aspects, how they are, the public and private keys, the digital signature, and how the Bitcoin value is calculated.

From there we will develop the different uses that Bitcoin has, to date.

1. ***PUBLIC AND PRIVATE DIRECTIONS***

Digital keys are what control the access of bitcoins stored in a portfolio, and public key cryptography is used to generate these keys. Individually, in Bitcoin, the digital keys come in pairs: the private key and the public key. We can think of the public key as if it were the number of a bank account and the private key as if it were the secret PIN. The public key is used to receive bitcoins, and the private key is used to sign transactions to spend those bitcoins.

A private key and a public key are mathematically related, and in fact, the public key is derived from the private key. But while it is possible to create the public key from a private key, it is practically impossible to create the private key from a public key.

The possession of both keys automatically determines the control over the bitcoins that are stored in a Bitcoin wallet and therefore it is crucial that the private key always remains under the control of the owner of said account.

The public key is generated from a private key.

The private key can have this structure for example: 0450863aD64a87A38A2Ggh83C1Aj1A8403CB53F53E486DDfg

A Bitcoin public key derived from the private key can have this format, for example:

0450863aD64a87A38A2Ggh83C1Aj1A8403CB53F53E486DDfg1DAD8A04lm87E5B23522CD470243453A299FA9E77237716103ABC11A1DF38855ED6F2EE187E9C582BA6

1. ***DIGITAL SIGNATURE***

To spend the bitcoins of a particular Bitcoin address, we must also test the ownership of those bitcoins. For this, we need to show that we know the private key. That is, we need to show that we know the private key, the public key to which that Bitcoin address refers. And to be able to demonstrate that we know the private key without revealing it publicly, it is what the signature is used.

These digital signatures are included in the script Sign field of the transaction. Signatures are cryptographic elements that are calculated from the private key and a combination of other information involved in the trade. And this is where the magic of cryptography comes into play because thanks to this it is possible that a public key can be used to verify that said signature was created using the corresponding private key. Besides, since the signatures are calculated using the private key and a combination of other information of the transaction, they also demonstrate the knowledge of the private key, which the owner of the same, and therefore the owner of those bitcoins, confirms the data of the said transaction.

Therefore, each signature is only valid for a specific transaction. The owner of the private key can, thus, sign a purchase and spend those bitcoins without worrying that nobody will know their private key because the private key itself is never publicly exposed and it is also impossible to find out. The signature and public key of the address from which the bitcoins are sent are added to the field of transaction inputs.

And this shows that the owner of the private key intends to make that transaction and ensures that it can not be altered. Currently, the Bitcoin protocol is designed so that the keys and signatures are created through the cryptographic scheme known as Elliptic Curve Digital Signature Algorithm (ECDSA). Which is a variant of the DSA algorithm that uses operations on points of elliptic curves which gives it the Same security as DSA but with smaller numbers, that is, lower keys and equally secure? But in the case of Bitcoin, it was important, since it reduces the storage and transmission requirements and thereby facilitates the handling of the keys.

1. ***BITCOIN VALUE***

The value of the currency has been changing over time and is based, roughly, on the confidence of its users, its usefulness, and its popularity. What does the cost of Bitcoin mean exactly?

It means that, 8 years ago, the value of 1 bitcoin was just a few cents, as many still doubted its safety and efficiency. It was a new and unknown currency, few were willing to deal with it and it was not yet known what their future would be.

However, little by little, all these myths and worries have been falling, and by demonstrating in Bitcoin a viable and safe alternative, this has been gaining increasing value and popularity. Also, the more businesses, websites, and services start accepting Bitcoin and, therefore, the more useful the currency, the higher the Bitcoin value will go up.

This has been demonstrated several times, one of the most recent examples being the case of WordPress, an essential blogging platform in the world. There are already tens of thousands of stores and services, both digital and physical, that accept Bitcoin.

A critical factor that determines the value of Bitcoin is its popularity: the more known the currency is, and the more people want to use it, the more its demand in the exchange markets will increase, and it will increase in value.

1. ***DIFFERENT USES OF BITCOIN***

* **Intra-daily trading**

This is one of the uses, which is gaining more strength since last year. The occultism and the "evil inclinations" that were attributed to bitcoin, from the centralized world, such as, "is the currency of the deep web, it is a financial bubble, it has no real value." Have given way to the affirmations by the Major home trading, how the value in which to operate in the future.

The largest trading and broker companies have already adopted both the bitcoin and their CFDs for the future, and are gaining more and more followers.

There are some, who already consider it, how valuable, more interesting than crude and gold.

* **Purchase sale of Goods & Services**

Businesses and companies, each time, adopt more measures for the implementation of payment platforms that support the use not only of Bitcoin but also of other Cryptocurrencies.

We are facing the revolution, which Cryptos will be able to adopt in our real world and make purchases of goods and services with them.

There are already services, such as Bitcoin ATMs, that allow you to withdraw cash, credit cards that will enable you to make any purchase with your Crypto coins, and even companies that allow you to store your Cryptocurrencies, and relate financial transfers with them.

* **Long-Term Investment**

This is one of the ways of using Bitcoin, which investors use the most.

Since its inception, many investors have acquired Bitcoin, and have expected their prospects to be fulfilled, in a long-term investment vision.

Many people think that the Bitcoin bubble will explode, others believe, that there is not much more to travel, but the same ones that predicted, a value close to around $ 6,000, consider that Bitcoin can reach a worth close to $ 100,000 in the next five years.

* **Exchange Currency to buy other Cryptocurrencies**

For all those investors in "Altcoins," (Cryptocurrencies, not as famous as BITCOIN, and the international top 5), they acquire their currencies employing the change, from Bitcoin to another crypto, like the USD-EURO, in the world of coins

The Bitcoin is the currency of change, which gives access, to the investments in the rest of Cryptocurrencies.

We continue talking, Bitcoin, Blockchain, and Cryptoworld in the following articles.