**HOW TO INVEST IN BITCOINS - PROS AND CONS**

How to invest in Bitcoins, and discover which is the right way, that suits each one of us, is one of the leading concerns, of anyone who approaches the world of investments in Cryptocurrencies. We are going to see different ways to invest in Bitcoins.

1. ***WHAT’S INVESTING IN BITCOINS***

To answer this question, the first thing you need to explain is what do you mean when you say you want to invest in Bitcoin.

Do you want to buy the currency hoping that its value will be appreciated? Do you want to invest in companies related to Bitcoin? Are you looking to trade daily with Bitcoins?

1. ***BUY & HODL***

The most common way to "invest" in Bitcoin is to buy the currency hoping that its value will appreciate (also known as "holding." If this is your case, then you need to decide for yourself if you think it is an excellent time to buy.

What does it mean, do you think the price will continue to rise?

Do not take anyone's advice on what will happen on the coin, do your homework, learn about Bitcoin and come to a conclusion. Personally, I think we're just beginning, but that's my opinion, and you should not consider that as an investment advice.

Some points to buy and hold Bitcoins:

*1. Never invest more than what you are waiting for / willing to lose - Bitcoin is a very risky investment, and you should keep that in mind all the time.*

*2. After buying Bitcoins make sure to move them to your purse and never leave them in exchange. My recommendation is to use a physical wallet to store your Bitcoins. If you can not afford a real purse, try a paper purse.*

*3. Be sure to buy Bitcoins only from exchanges that have proven their reputation.*

*4. Buy Bitcoins through the average cost in Dollars - This means that you do not buy all your Bitcoins in a single transaction but buy a fixed amount every month, week or even days during the year. In this way, you average the price in the year.*

1. ***TRADING BITCOINS***

Bitcoin trading is different from buying and sustaining. When you are trading Bitcoins, it means that you are actively trying to acquire Bitcoins at a low price and sell them back with a higher rate relatively in a short interval of time.   
  
A successful trading requires knowledge and practice. The trading market is occupied by a large number of players who expect beginners to enter and throw all their money to negotiate aimlessly.

1. ***INVEST IN MINING***

Some people would like to invest their money in Bitcoin mining. In recent years, Bitcoin mining is only profitable if it is done on a large scale. This means that you will need expensive mining equipment and with optimism free energy.

Therefore, it is usually more profitable to buy Bitcoins with this money than to use it to buy mining equipment. Some may have heard of all kinds of sites that allow you to mine Bitcoins through them.

This is known as cloud mining, and those sites fall into these two categories:

1. They are a complete scam; they will run away with your money and not use it to mine Bitcoin.

2. They are not a scam, but they are a bad investment since you will probably get more Bitcoins if you only use that money to buy Bitcoins instead of paying to the site.

1. ***PROS & CONS***

**Pro:** One of the advantages that bitcoin has is that it can be exchanged for more than 100 currencies from around the world.

Bitcoin has had a spectacular growth in recent years becoming a popular option to make investments. Of course, as with all investments, their high potential for return is equivalent to higher risk.

To start you should know that the investments in bitcoins are similar to the investments in other currencies, it is about buying cheap to sell expensive and obtaining profits from the price difference. However, with bitcoin, you have to take into account additional factors to those that you would consider when investing in other currencies.

**Cons**: The bitcoin price goes up and down several times a day, and its changes are more significant than those of other currencies or stocks.

**Pro:** Despite its volatility bitcoin tends to grow so in the long term it can be an excellent investment

In a very general vision there are two ways to make foreign currency investments:

Speculative, that is, making purchases and sales in short periods of time, perhaps in the same day, depending on the possibilities of changing the value of the currency.

In the medium or long term, which refers to buying foreign currency, save it for longer and sell it when the exchange rate increases profits.

**Cons:** Although there are more and more bitcoins buying and selling platforms, there are still not so many financial instruments. For example, currently you can only invest in the medium or long term.

**Pro:** Bitcoin can be an excellent alternative to diversify your investment, so you can designate only the amount you are willing to risk to invest in long-term bitcoins, which is what specialists recommend.

Of course, if you are considering investing in bitcoins you need to know and understand entirely what they are and how they are handled. Also, the right thing to do is to have a strategy and stick to it, that is, define a price to buy and a price to sell, as well as establishing limits of how much you are willing to lose and determine how much you want to earn.

**Pro:** You can experiment with a small investment because it is possible to buy fractions of bitcoin and then decide if you are willing to invest more in this virtual currency.

1. ***SHOULD YOU INVEST IN BITCOIN?***

For now, you probably think that the answer is not so simple. It's not just a question of whether you should invest, but how to spend. As I said at the beginning, start by educating yourself.

Learn about the currency that affects you, what are its advantages and disadvantages.

After you feel that you have acquired a primary education, it is time to answer this question. REMEMBER - only you can explain this. You can consult others and read online but never follow someone else's advice blindly.