**¿WHAT ARE ALTOCINS AND WHY INVEST IN THEM?**

Bitcoin is an open source project, and its code has been used as the basis for many other software projects. The most common form of software generated from the Bitcoin source code is decentralized alternative currencies, which use the same basic building blocks to implement the digital coins, which are known as Altcoins.

**¿WHAT ARE THE ALTCOINS?**

Altcoins is a simplified construction of the words "alternative" and "coins." It could be translated, therefore literally as "alternative currencies." The term Altcoins refers to cryptocurrencies that derive from the Bitcoin source code also known as "Forks," that is, branching, bifurcation.

There is an excellent variety of Altcoins, but they all have in common that they are implementations of coins that branch off from Bitcoin and differ in the basics of Bitcoin implementation. They use their chain of blocks (blockchain), their P2P network (Peer-to-Peer, peer-to-peer network). Some altcoins also use a different mining algorithm, of which the best known are the concepts of Proof-of-Work (POW) or Proof-of-Stake (POS).

"Pump and dump" of the Altcoins in the network

The Altcoins that are created in the cryptocurrency market exist of all variants. Many of them have given a bad reputation to the cryptocurrency community because they have been schemes that have been developed to attract investors to the new currency organized with a robust marketing campaign to inflate the price and when they have placed enough of it, they abandon the project.

In fact, there are people who have specialized in that market and have become known for organizing this type of chain fraud.

On the other hand, the important thing is those implementations of Altcoins that experiment with new functionalities or technical characteristics that could be incorporated in Bitcoin in the future or perhaps even give an advantage to the new creations.

**ADVANTAGES OF ALTERNATIVE CRIPTOCURRENCIES**

***Innovation***

Since Bitcoin came out on January 3, 2009, there have been many coins that have appeared in the ecosystem incorporating technical details that Bitcoin may not have integrated since its launch but from which its possible implementation has been studied.

***Utility***

Many of the new currencies appear with useful purposes for the end user. Focused on a different theme, each of them tries to make a hole in a market that goes through periods of saturation frequently.

***Decentralization***

The coins that have something to contribute are because they try to help decentralize any aspect that we can imagine from real life.

**DISADVANTAFES OF ALTERNATIVE CURRENCIES**

***Speculation***

Most digital currencies have a short life cycle or are geared to speculation. Few projects really have a development team and broad community that supports it.

The appearance of a large number of exchanges and exchange houses prompted speculative bubbles that enriched some and left without bitcoins or real money to others in a period that did not exceed two weeks, being empty of volume in the market and with developers disappeared with all the profit they could have taken from them.

***Duplicity***

Plagiarism and launching of entirely similar currencies among them but with changed names, small imperceptible modifications and changes simply devised to favor the speculation of new money. There are hundreds that we can also include in this group.

As you can see, it has its positive and negative aspects. For some, it has been a quick source of income while for others it has been a means of initiation into the world of decentralized digital currencies. Apart from the benefits mentioned above.

***UNIVERSE OF ALTCOINS***

Bitcoin, due to the characteristic of being open source, has allowed the creation around hundreds of alternative cryptocurrencies.

There are also applications for smartphone where you can control the price of some of them in a comfortable way, for example Coinfolio, Cryptocompare.

**WHAT DO THEY OFFER TO THE BITCOIN ECOSYSTEM?**

Although there is a greater percentage of developers and investors who only see them as a speculative medium, there are currently many programmers who have implemented or have taken as a reference some of the features of the altcoins to perform behavioral tests on bitcoin or other currencies digital

If you are curious and have ever spent time in the main forums of the alternative currencies, you will see interesting debates about implementation proposals and simulation and testing tests that, why not, could also be useful for Bitcoin.

Alternative cryptocurrencies are experiencing perhaps their best moments in 2017, and given the favorable conditions that many of them currently enjoy regarding adoption, development, alliances, media coverage and investment, it seems that this year is aimed at being the most important for the altcoins