Lecture 3: How to get started with cryptocurrencies

Hello and welcome to your third lecture, How to get Started with Cryptocurrencies?

In this lecture you will learn:

- What is needed to hold and send Bitcoin?
- What is needed to hold and send Ethereum?
- How to create and use an Ethereum and Bitcoin Wallet?
- How to turn Bitcoin into Ethereum?

If you are familiar with how to do all of this already, feel free to skip this lecture.

The first thing you should do is create a Bitcoin wallet.

Creating a Bitcoin wallet is relatively simple and important if you want to have full control over your funds.

A simple wallet that will manage your keys with a login is wallet.btc.com.

For a wallet that runs on your computer and lets you manage your own keys, consider using electrum. The wallet syncs to your computer, but you don't have to sync the entire blockchain to your computer. We will be covering more on the blockchain and transactions in the next lecture.

In both cases, keep your private key safe (the PDF from btc.com or wallet file in electrum) since these will be required to recover your wallet.

Never share your private key with anyone if you want to manage your own keys!

Here is what the wallet should look like for both electrum and BTC.com.

Clicking "receive" will usually give you the public wallet address on whatever application you are using which is where funds should be sent in order for you to take ownership.

Then to send funds, click "send", enter the public wallet address of where you want to send and the amount and the wallet should handle the transaction.

To take your first step into the crypto market, you will have to acquire Bitcoin which typically happens through fiat currency.

We have a blog post here, which will be linked in the additional resources document available to you, which details many different methods of buying Bitcoin. There are lots of ways to buy so if you want to explore your options, that document will be helpful.

Using the wallet you created in the last step, you can send any BTC you buy to your personal wallet.

Alternatively, you can opt to keep your funds with the third-party if you believe that they are trustworthy.

Once you have Bitcoin, you can begin to exchange and buy other currencies.

Now we are going to go through the process of turning some of your Bitcoin into Ethereum.

First thing you have to do is create an Ethereum wallet. This can be done easily through myetherwallet.com

Double check that the web address you are using is myetherwallet.com and not anything else.

Then enter your password and don't forget it!

Next, download the keystore file to your computer.

This file is your private key and can be used to restore your wallet on other platforms and also is used to interact with myetherwallet.com

Be sure not to lose this key and keep it very secure.

You will also need your password to open it up.

Now lets open up your new wallet on myetherwallet.com

Go to the send ether and tokens tab,

Then upload and unlock your wallet

Once you open it up, you should see your public address on the right side.

Now go to shapeshift.io and select BTC to ETH. Shapeshift lets you quickly and securely convert funds from one currency to another. Now that you have a Bitcoin and Ethereum wallet, you can use it to turn your funds from Bitcoin into Ether.

Precise takes a little longer but is more accurate.

On Shapeshift, select the amount of BTC you want to convert to ETH.

Use your BTC wallet address in case the trade doesn't go through and they have to refund you

Use the ETH wallet that you just created for the destination address. After you deposit, it will take some time to finish, but then it will convert your BTC into Ether and send it to your address.

Congratulations! You have just completed your first cryptocurrency trade! If that was a lot of information all at once, don't worry! We will be talking more about how everything works in the next lectures.

This concludes the third lecture, how to get started with cryptocurrencies. Thanks and we hope you found this lecture helpful!

