**What is it?**

Blockchain is a cryptographic technology. It began with Bitcoin (BTC) in 2008 when Satoshi Nakamoto released the first whitepaper.

After Bitcoin's adoption, new cryptocurrencies which were based on it entered the market, such as Ethereum (ETH). Later, new currencies emerged that were based on Ethereum, as well as new designs altogether.

Ethereum was the first blockchain to introduce DApps which are apps which run on the network. It also introduced SmartContracts.

There are a variety of different types of cryptocurrencies:

1. Standard coins which focus on making payments.
2. Privacy coins such as Monero focus on making payments in a way which cannot be tracked back to the consumer.
3. Stable coins such as Tether are pegged to fiat in order to reduce volatility.
4. Exchanges tokens which are commonly offered by exchanges for use on their platform, which provides some perks such as reduced trading fees.

**What does blockchain aim to do?**

When we send payments online, we use our bank, or services such as PayPal to act as a middleman. The focus of blockchain is on decentralised processing; essentially, removing that middle man from the equation.

Using Bitcoin as an example, when someone sends a transaction, it is included in what is called a block, which is then mined by miners. The network validates blocks and makes sure that they are correct.

The consensus is achieved by the majority, thus removing any one party from making a decision about the validity of a transaction.

After the miner has mined a block, he is rewarded the fees that were paid for all the transactions in the block; he also receives a quantity of Bitcoin for mining the block.

There are various types of validation found in blockchain projects

Proof of Stake (PoS)

Coin holders can lock their coins, and the system   
Delegated Proof of Stake (DPoS)

Proof of Work (PoW)

Transactions are gathered into blocks; these blocks are then linked together. It works very well in facilitating consensus.

**What could blockchain do over the next few years?**

**Supply chain authentication**

Various cryptocurrencies focus on supply chain authentication. The goal is to prove the authenticity of products and provide information about their journey along the supply chain, as well as additional potentially relevant information such as: when it was packed, where it was packed, and by whom was it packed.

According to CoinCodex the top 5 cryptocurrencies in this field include: WaltonChain (WTC); Modum (MOD); VeChain (VET); Ambrosus (AMB); Tael (WABI).

In the coming years, we may see these cryptocurrencies begin to gain traction in consumer markets and provide consumers with the confidence that their product is indeed what is advertised.

Supply chain authentication is a big deal in China due to the large number of fake products that are sold.

Payments

Secure payments

It allows for transactions to be verified by group consensus.

**What is the impact?**

Text

**How will this affect you?**

Text