**Introduction to Bitcoins:**

* Bitcoin came into existence by a validation of transactions on the bitcoin network, through a process called mining.
* We can earn bitcoin as a miner or by using a traditional payment method.
* Secure bitcoin wallets can be downloaded and setup on a computer, smartphone or any other mobile device. Each bitcoin stores your private key, which allows you to sign transactions that send bitcoin to other parties.
* Bitcoin is a digital currency which operates free of any central control or the oversight of banks or governments. Instead it relies on peer-to-peer software and cryptography. A public ledger records all bitcoin transactions and copies are held on servers around the world.
* Even though bitcoins are virtual and can't be touched, they are certainly real. Bitcoins have been around for more than a decade and the system has proven itself to be robust.

**Comparison to conventional currencies:**

* Stablecoins are cryptocurrencies that aim at overcoming this instability by maintaining a stable value in relation to an official currency or to a basket of currencies. They can be issued by a private entity (stablecoins proper) or by a central bank (in which case, they fall under the category of central bank digital currencies discussed below).
* Stablecoin, as the name implies, clearly emphasizes delivering stability in cryptocurrency. It is basically cryptocurrency minus the volatility. There is no doubt regarding the potential of blockchain for disrupting almost every industry. With continuously emerging new use cases, blockchain focuses on developing better and sophisticated [payment](https://101blockchains.com/blockchain-in-payment/) systems. Fiat currencies all over the world are used for buying goods and services.
* The discussion till now showcases that Bitcoin is at a slightly lesser advantage than stablecoin because of volatility. As a matter of fact, the definitions of both show how Bitcoin is volatile, and stablecoin ensures desired stability in cryptocurrency.

**Conclusion:**Cryptocurrencies are an intriguing financial innovation and offer many possible research avenues. As with many new technologies, considerable confusion exists about both the underlying concept of cryptocurrencies and the approaches for valuing them.