FERRELL'S CRYPTO EDUCATION

Crypto Terms for Beginners

25 common cryptocurrency terms explained in simple language

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- **Bitcoin:** A decentralized digital asset and payment network.
- **Blockchain:** A distributed digital ledger that records transactions.
- **Altcoin:** A cryptocurrency other than Bitcoin.
- **Wallet:** A tool used to manage cryptographic keys and interact with digital assets.
- **Private Key:** Secret cryptographic information used to control assets.

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- **Seed Phrase:** A sequence of words that can restore access to a wallet.
- **Exchange:** A platform for buying, selling, or trading crypto.
- **Stablecoin:** A crypto asset designed to maintain a relatively stable value, often linked to a reference asset.
- **ETF:** An exchange-traded fund that can provide market exposure through a regulated investment product.
- **Gas Fee:** A fee associated with processing certain blockchain transactions.

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- **Smart Contract:** Code deployed on a blockchain that can execute programmed actions.
- **DeFi:** Decentralized finance applications and services built on blockchain networks.
- **Token:** A digital asset issued on a blockchain.
- **Mining:** A process used by some blockchains to help validate transactions and secure the network.
- **Staking:** Participating in a proof-of-stake network to help secure it, often in exchange for rewards.

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- **Market Cap:** A commonly used measure calculated from an asset's price and circulating supply.
- **Volatility:** How much and how quickly an asset's price changes.

- **Liquidity:** How easily an asset can be bought or sold without significantly affecting its price.
- **Cold Wallet:** A wallet or storage approach designed to keep keys offline.
- **Hot Wallet:** A wallet connected to the internet.

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- **Public Address:** An address that can be shared to receive assets.
- **Transaction:** A recorded transfer or blockchain action.
- **Confirmation:** Verification that a blockchain transaction has been included and accepted by the network.
- **FOMO:** Fear of missing out, which can lead people to make rushed decisions.
- **DYOR:** Do Your Own Research—verify information before making a decision.

Learn Before You Act

Crypto terminology can sound complicated at first. The goal is not to memorize everything at once. Start with the basics, ask questions, and take your time.

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