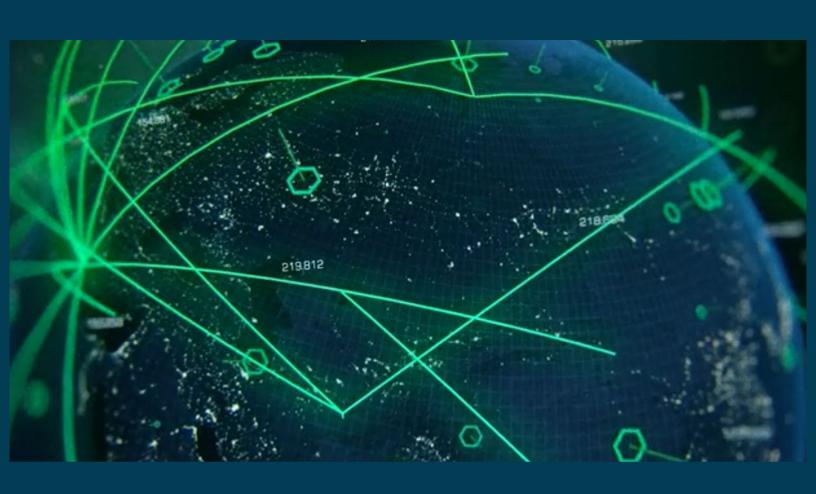
## SUPERCRYPTO #1

## The World Computer That Will Take Over the Internet



## **SUPERCRYPTO No. 1:**

# The World Computer That's About To Take Over the Internet

## An absolutely essential building block of Decentralized Finance. After Bitcoin's 2020 Halving, it out-performed Bitcoin nearly 2:1

Name: Ethereum

Trading symbol: ETH

Logo:

Website: ethereum.org

Inventor: Vitalik Buterin

Market Cap Rank: No. 2 behind Bitcoin

Circulating supply: 113,690,701

Exchanges you can Coinbase buy Ethereum on: Kraken

Binance

Suggested digital <u>Exodus</u> wallets to store <u>Atomic</u>

your coins in:

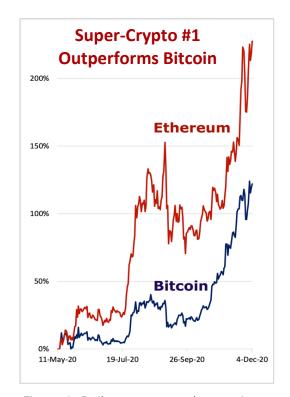


Figure 1. Daily percentage change since Bitcoin's May 11, 2020 halving. Click to enlarge. Source: coingecko.com

Ethereum's global network of computers comprises the basic infrastructure for Decentralized Finance (DeFi).

DeFi is basically borrowing, lending and trading assets on the crypto blockchain — with no banker, broker or market-maker standing in the middle taking a slice of the action!

(The blockchain itself, ensures it's safe to do business with folks you don't know, and have no reason to trust — with no fear of being cheated.)

Because of this, it's now easier, faster and cheaper — to borrow money from a DeFi application than any traditional bank.

Advantages like that are going to be more than enough to put legions of bankers and brokers out of business going forward. And it will pile up delicious profits for investors in ETH.

But the real reason DeFi is the hottest sector in crypto is this: After a dozen years of near-zero interest rates, millions of investors are ravenous for yield.

DeFi is giving birth to an alternative financial ecosystem where interest rates honestly reflect market supply and demand — instead of being artificially manipulated by central bankers and politicians.

As an investor, that means you can actually earn 8% to 10% interest — totally unheard of in today's zero-interest, fiat-money world! All you have to do is deposit US\$-equivalent stablecoins with a blockchain lender.

Is earning 7% interest popular with today's yield-starved investors? You better believe it! That's why money is pouring into DeFi!

Even so, most participation in DeFi so far is by industry insiders, developers and investors already inside the cryptocurrency community. In the outside world, few among the vast ocean of retail and institutional investors have even heard of DeFi.

Which tells you the scope for future growth of DeFi ... is virtually astronomical. Plus ...

## DeFi Apps Mainly Live on Ethereum, the World's No. 1 Smart-Contract Platform

Ethereum was the world's first blockchain to accommodate complex smart-contracts. And it's still the world's no. 1 smart-contract platform today.

Smart-contracts are pieces of computer code that automate and animate virtually everything crypto networks do (beyond simply making payments). Early in 2019, developers started writing smart-contracts for lending and borrowing to run on the Ethereum blockchain.

This marked the birth of DeFi. Fast forward to today ... and the vast majority of DeFi applications (dApps) still run and settle on the Ethereum blockchain. These include:

- yearn.finance (YFI), an automated hedge fund on the blockchain.
- Nexus Mutual (NXM), an insurance fund for smart-contract hacks.
- Aave (LEND), a lending platform, where depositors stake crypto for passive income.
- Compound (COMP), another lending platform that competes with Aave.

And every time any of them make a single transaction, they incur network fees payable in ETH. In this way, Ethereum benefits mightily, if indirectly, from the explosive growth of DeFi.

In short, ETH is the fuel that DeFi needs to run.

Remember the massive 7-month surge ETH prices shown in Figure 1, above? Well, look for more of the same, going forward.

#### 3 Ways to Buy Ethereum (ETH)

Ethereum is the world's no. 2 crypto after Bitcoin. Because it's so big and widely used, it's one of the easiest cryptos in the world to buy.

#### 1. Buy Ethereum in the stock market, through your regular stockbroker.

There are now funds you can buy (in America and Europe) that do nothing other than buy-and-hold Ethereum. (Or, a handful of other cryptocurrencies.)

Buying shares in such a single-crypto fund is the fastest way to start investing in Ethereum — especially if you're a newcomer, with little time to spend familiarizing yourself with this quirky new world of crypto assets.

The main drawback of buying crypto in this form is that in sometimes you have to pay a sizeable premium over net asset value.

<u>Grayscale Ethereum Trust</u> (OTC trading symbol: ETHE) is a U.S.-listed, closed-end fund that holds Ethereum. Each share presently represents 0.09284153 ETH. However, an 8-for-1 stock split is scheduled for Dec. 17.

Anyone can buy and sell ETHE through their regular stockbroker without restriction. However, this measure of convenience comes with a cost: ETHE shares consistently trade at prices well above (around 130%, as I write) what the underlying ETH is actually worth.

## How To Avoid Paying a Hefty Premium for Crypto You Buy in the Stock Market

Swiss-based <u>21Shares</u> offers an Ethereum single-crypto ETP. ETPs (exchange-traded products) are similar to exchange-traded funds (ETFs) and exchange-traded notes (ETNs), in that they are engineered to precisely track the price of a specific investment asset.

Like, for example, Ethereum.

21Shares' Ethereum ETP (trading symbol: AETH) is listed on the Swiss stock exchange — where you can buy it at net asset value.

Any stockbroker licensed to execute trades on the Swiss stock exchange (such as <u>Interactive</u> <u>Brokers</u> or <u>TradeDirect</u>) can buy shares on your behalf.

#### 2. Buy Ethereum directly via a cryptocurrency exchange.

A cryptocurrency exchange is a crypto broker, like <u>Coinbase</u>, <u>Kraken</u> or <u>Binance</u>. Of course, you have to first open an account and fund it, much like stock brokerage account.

However, this can usually be done online in less than an hour. (See the Weiss Cryptocurrency *Quick-Start Guide for Newcomers* for specific instructions on how to open and operate a crypto exchange account.)

Advantages include low trading commissions, generally low bid-ask spreads, and no limits on the size of trades. And if you forget your password, there's a procedure to recover it.

Drawbacks include occasional poor customer service. Also, crypto exchange accounts have been hacked in the past. The three we pointed you toward above are among the most established and trusted in the industry. So, this risk is very small. But it is not zero.

To be totally safe, store you newly-purchased crypto in a digital wallet (such as <u>Exodus</u> or <u>Atomic</u>), and lock your private keys up in a safe.

#### 3. Visit one of North America's 6,465 Ethereum ATM machines.

Crypto ATMs require no account openings, no proof-of-identity or proof of residence. All you need is cash, and you're good to go.

However, ATMs are not in the business of storing crypto.

So, when you buy Ethereum at an ATM, you need to *already* have a digital wallet to receive your new coins.

(Either of the wallets listed on Page 1 would do nicely.)

The advantages of crypto ATMs are privacy, simplicity and convenience. Their drawbacks are higher fees and transaction size limits.

#### ATMs that accept cash for ETH



Click on <a href="https://coinatmradar.com/ether-atm-map/">https://coinatmradar.com/ether-atm-map/</a> for an interactive map showing the location of every Ethereum ATM in the world.

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