Definitions to know in Cryptocurrency

Take a little bit of time learning these terms they will help you immensely as you grow in your journey of cryptocurrency knowledge

1. **Altcoin** - Altcoin is defined as any cryptocurrency except for Bitcoin. "Altcoin" is a combination of two words: "alternative Bitcoin" or "alternative coin".
2. **AML** - Anti-Money Laundering or AML is defined as a set of laws designed to prevent converting illegally earned money into what appears to be legally earned money.
3. **ATH** - ATH is short for "All Time High", and is defined as the highest value an investment has ever reached in its history.
4. **51% Attack** - 51% Attack is defined as a situation where more than half of the computer power running a blockchain are controlled by one person or one group of people with evil intentions. That person or group with the majority power can manipulate transactions in their favor.
5. **Bag Holder** - Bag holder is defined as an investor who continues to hold onto their asset even though the price is dropping towards $0.
6. **Bear** - Bear market is defined as a decreasing set of prices for various types of assets. A bearish investor wants to profit from the movement of dropping prices.
7. **Bitcoin** - Bitcoin is defined as an early digital cash that started the cryptocurrency movement. It was created in 2009 by an unknown person or group who went by the name, Satoshi Nakamoto.
8. **Bull Trap** - A bull trap is an investor who wants to profit from the movement of increasing prices. A bull trap is a false impression that the prices are increasing causing a bullish investor to try to take advantage of that. The price then reverses, going back down causing him to lose money.
9. **Candlesticks** - Candlesticks are defined as a representation on a chart used to show changes in price over time. Each candle provides 4 points of information, the opening price, the closing price, the high, and the low. Also known as 'candles' and 'Japanese candlesticks'.
10. **Centralized** - Centralized describes a system or organization that is controlled by one person or group. Companies are centralized organizations.
11. **Circulating Supply** - Circulating supply is the number of coins currently available and in the hands of people. Coins that are locked, reserved or not able to be sold and traded are not included in the circulating supply.
12. **Cold Storage** - Cold storage is defined as a type of digital data storage that takes longer to access and quite often is not connected to the Internet. Also known as a "cold wallet".
13. **Consensus** - Consensus is defined as agreement by the majority of people about something.
14. **DAO** - Decentralized Autonomous Organizations also DAO describe leaderless organization supported by a network of computers. To be decentralized, it must have no central location because it is running on a network of computers. And because there is no single leader and has its own rules to follow, it is autonomous, or self-governing.
15. **DApp** - Decentralized Application or dApp is defined as a software application that has its technology running publicly on a network of computers.
16. **Decentralized** - Decentralized is defined as a type of system where elements are spread out by some means, with decisions made from many points, and independence is preserved across the network.
17. **Distributed Ledger** - Distributed ledger is defined as a system of independent computers that are simultaneously recording data. With distributed ledger technology, identical copies of the recording are kept by each computer.
18. **Ethereum (ETH)** - Ethereum is the second largest cryptocurrency. Ethereum is built with publicly available software that developers can use to build their own cryptocurrency and software. Some cryptocurrencies built with it include: Uniswap, ChainLink, AAVE, and Basic Attention Token. Some of the apps built from it include games, social networks, and marketplaces.

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19. **ERC-20** - ERC-20 is defined as a proposed set of rules and standards for creating new cryptocurrency using Ethereum as the foundation. ERC-20 describes crypto made with Ethereum technology that follow these rules and standards.
20. **Fork** - A fork or accidental fork is a split in the digital recordings, known as the blockchain.
21. **Hardware Wallet** - A hardware wallet is a specially designed device to lock away access to your cryptocurrency. The device is extra secure because it is disconnected from the Internet and other computers and is virtually virus-proof. A cryptocurrency wallet is software that interacts with the network of recordings (blockchain) and lets users receive, store, and send their digital money.
22. **Hot Storage** - Hot storage is defined as a type of digital data storage that provides immediate access. Hot storage is often connected to the Internet. Also known as a "hot wallet".
23. **Key** - A key is a secret string of letters and numbers that must be used to make hidden, unreadable information readable.
24. **KYC** - Know Your Customer or KYC is defined as a customer identification process required by law for financial organizations.
25. **Market Capitalization** - Market capitalization or Market Cap is defined as a way to rank the value and size of an asset (stock, cryptocurrency, etc.). This is calculated by multiplying the total number of coins by the latest price.
26. **Paper Wallet** - A paper wallet is simply a piece of paper containing the information needed to access and spend your cryptocurrency. A wallet is software that interacts with the network of recordings (blockchain) and lets users receive, store, and send their digital money. Paper wallets are often used to backup the information to access your money or as the only recording to prevent someone like hackers from stealing it from your computer.
27. **Private Key** - Private key is defined as a string of letters and numbers known only by the owner that allows them to spend their cryptocurrency. NEVER SHARE your private key unless you want someone else to be able to take all of your money!
28. **Public Key** - Public key is defined as a string of letters and numbers that allows cryptocurrency to be received. Give your public key to the person you want to send you money.
29. **Pump and Dump** - Pump and dump is defined as an illegal manipulation of an asset (stock, cryptocurrency, etc.) where people increase the price (the pump) so that they can sell it at those high prices for a profit (the dump).
30. **Pumping** - Pumping means to promote an investment for the purpose of increasing prices, usually so it can be sold at a profit.
31. **Proof of Stake** - Proof of Stake or PoS is defined as a process for achieving consensus and building on a digital record known as a blockchain. With PoS, users put up a collateral of tokens (or a "stake") and use a process that is more energy and cost-efficient than previous solutions.
32. **Proof of Work** - Proof of Work or PoW is defined as a process for achieving consensus and building on a digital record known as a blockchain. With PoW, users compete with each other via their computers to solve a puzzle. Bitcoin is PoW and ETH is moving to PoS
33. **Wallet** - Wallet is defined as software that interacts with the blockchain and lets users receive and send their digital money.
34. **Whales** - Whales are defined as people or organizations that have lots of money to buy and sell huge quantities of an asset, such as cryptocurrency. Their ability to move large amounts gives them the potential to manipulate prices.