

A cryptocurrency is a digital or virtual currency that is secured by cryptography, that allow for secure online payments.

Bitcoin is the name of the best-known cryptocurrency, the one for which blockchain technology was invented.

A cryptocurrency wallet is required to use cryptocurrencies.

To record transactions, most cryptocurrencies use blockchain technology.

For example, Bitcoin and Ethereum networks uses blockchain.

Types of Cryptocurrency

1. Proof of Work (PoW)
2. Proof of Stake (PoS)
3. Tokens
4. Stablecoins

1. Proff of Work (PoW)

To confirm transactions and add new blocks to the blockchain, Proof of Work (POW) employs a competitive validation approach.

2. Proof of Stake (PoS)

Proof of Stake (POS) validates transactions by selecting miners at random.

3. Tokens

TOKENS are digital assets based on a blockchain and specified by a project or smart contract.

4. Stablecoins

A stablecoin is a cryptocurrency whose value is connected to an external asset, such as the US dollar or gold, in order to maintain price stability.