

HOW DOES INVESTING IN CRYPTOCURRENCY WORK?

1. Buy Cryptocurrency Directly and Hold



James Case Study on Bitcoin (BTC)

On January 1, 2019, James invested \$1,000 in Bitcoin, purchasing approximately 0.26 BTC at a price of \$3,800 per BTC.

By December 2019, his investment had nearly doubled to \$1,900. During the March 2020 crash, it dipped to \$1,300, but rebounded dramatically to \$7,600 by December 2020.

In November 2021, James' investment reached its peak value of about \$18,000 when Bitcoin hit an all-time high of \$69,000.

As of July 2024, with Bitcoin priced at \$63,630, James' initial \$1,000 investment has grown to approximately \$16,433, representing a substantial profit of \$15,433.

2. Crypto Trading



Dan Case Study on Ethereum (ETH)

Dan, a day trader, embarked on a week-long Ethereum trading venture with an initial capital of \$5,000.

His strategy was to buy low and sell high within the same day. Over the course of the week, Dan experienced both profits and losses.

Day 1: Made a \$100 profit by buying and selling 2 ETH.

Day 2: Brought a smaller profit of \$60, while

Day 3: Resulted in a \$40 loss.

Day 4: He rebounded with an \$80 profit.

Day 5: Had to hold his position overnight due to a price drop, leading to a \$60 loss when he sold on Day 6.

By the end of the week, Dan's total profit amounted to \$140, representing a 2.8% return on his initial investment.