A step-by-step guide to buying alt coins

Description

Thereâ??s been a lot of sponsored ads popping up on my Facebook recently, each claiming how to teach you to buy your first Bitcoin.

All of those ads were mainly promoting CFDs (contracts for differences), which basically allows you to **speculate** on the rise or fall in prices of Bitcoin. For those who are new to CFDs, you are basically buying a contract between yourself and the CFD provider, and NOT the underlying asset. In other words, **youâ??re not buying the actual Bitcoin(s)** and neither do you own it.

I wonâ??t name and shame the companies here, but their tactics are similar:

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- â?? Talk about how some young Singaporean investor became a millionaire by investing in Bitcoin and tell you to â??learn how he did it here!â?•
- â?? Highlight how you could have been rich by now if you had invested in Bitcoin earlier this year
- â?? Tell you to either go for their paid course / sign up on their platform to start buying before you miss out

None of them actually tell you how to buy and own your own Bitcoin, but I will. If youâ??re a beginner, head over here for a legitimate step-by-step guide where the Bitcoins you buy is yours and entirely yours for keeps.

In a recent (private) readersâ?? meet-up held on 1 Dec, someone asked me if I was buying any alts other than Bitcoins, and I mentioned that I was buying heavily into Litecoin on Coinbase. Hereâ??s how both currencies performed since:

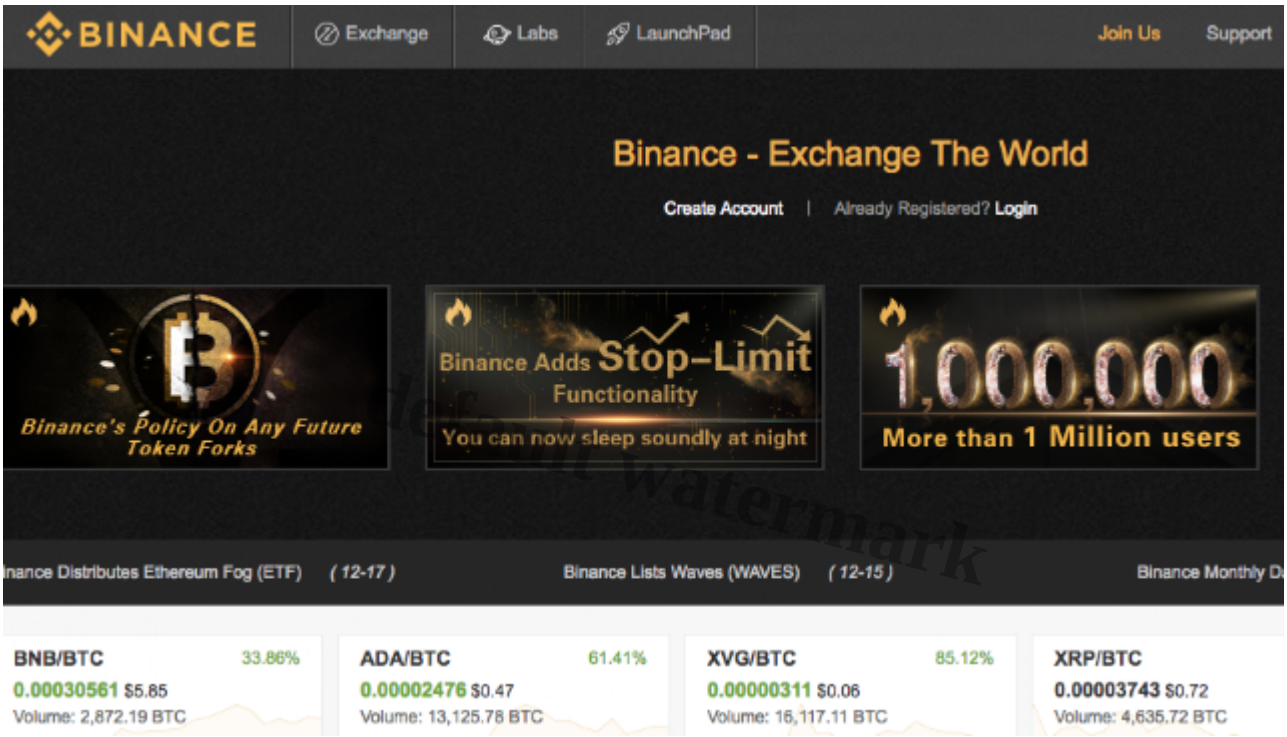
	1-Dec	18-Dec	% gain
Bitcoin	$11,000.00	$19,500.00	77%
Litecoin	$99.00	$321.00	224%

(Disclaimer: I invested in Bitcoin and Litecoin much earlier on, prior to the meet-up)

If youâ??ve already bought the big 3 â?? **Bitcoin, Ethereum, Litecoin** â?? and youâ??re looking at buying other types of cryptocurrencies (termed as â??altsâ?•, short for alternative coins), there are a few cryptocurrency exchanges (similar to stock exchanges) that will allow you to do that.

Binance

My top exchange of choice now is **Binance**, which is also now the #1 cryptocurrency exchange in the world. Theyâ??re registered in Hong Kong (a key financial hub in Asia, aside from Singapore) and support many of the alts available for trading.



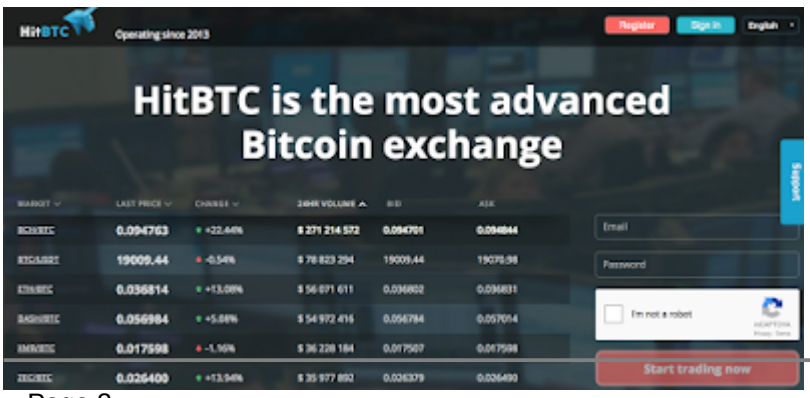
You can sign up for a secure account on Binance here.

Note: I previously used Bittrex, but I wonâ??t recommend them because my account has been pending verification for months and thereâ??s still no word on when verifications will finally be complete. This is a huge problem, because as an unverified user, you can only deposit funds and buy, but youâ??re not allowed to withdraw / cash out at all!

If youâ??re interested on the problems plaguing Bittrex, you can have a look at this article here.

HitBTC

Another exchange I use is HitBTC, although Iâ??m not a complete fan because HitBTC got hacked in early 2015 where coins were stolen. However, they do have a wide variety of trading pairs as well so it is generally easy to find alts that you wish to buy.

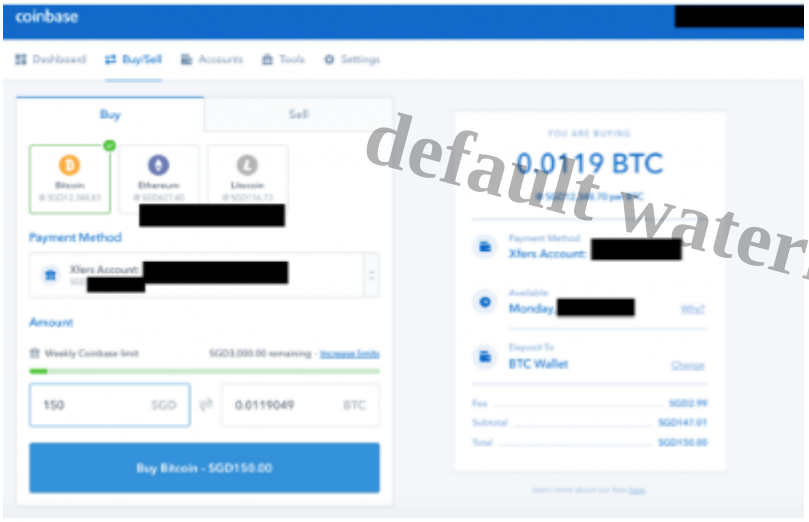


Iâ??m lost! How exactly do I buy alts?

As most of the exchanges donâ??t accept direct cash to alts, youâ??ll have to first convert your cash into either BTC or ETH, and then send them over to the exchange where you can buy alts.

Hereâ??s a full step-by-step guide:

Step 1: Buy Bitcoin / Ethereum on Coinbase or Gemini.



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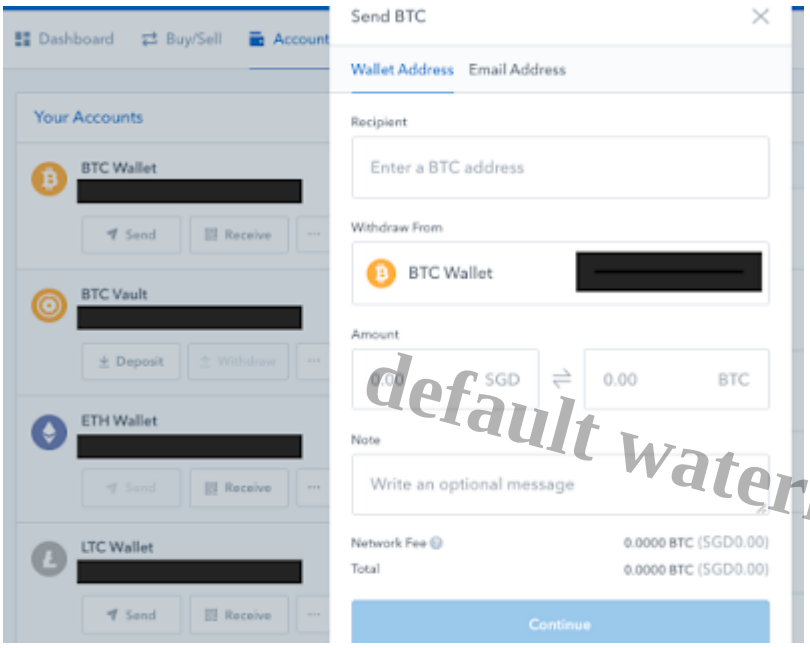
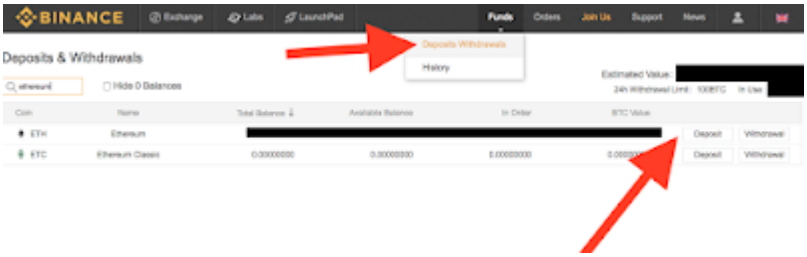
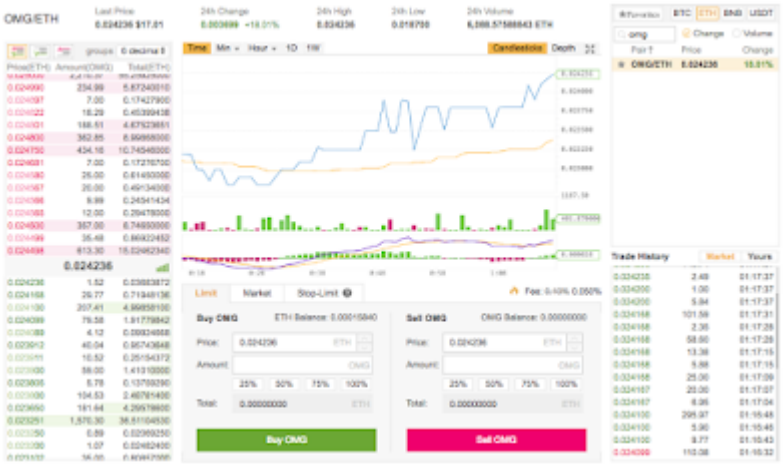
I use both, but would recommend Coinbase as it is the most secure and offers instant purchases. Using the SCB Singpost credit card gave us 7% cashback, which offsets Coinbaseâ??s fees, but the cardâ??s T&Cs has changed since. Gemini, on the other hand, requires you to wire transfer USD into their overseas bank, and takes 2 â?? 5 days to clear your deposits before your funds appear on your account and are available for trading. Thanks to Geminiâ??s inefficiency, Iâ??ve missed out on many opportunities to buy at a low in the past weeks, so I still prefer Coinbase when I need to purchase BTC / ETH immediately so I can buy my alts.

Step 2: Send your Bitcoin / Ethereum to your exchange wallet





Step 3: Once your coins are received on the exchange, you can now use them to buy alts



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For security reasons, **do not leave your coins on the exchange(s)** where they can get hacked or stolen. As such, I would recommend getting a hardware wallet such as a Trezor or Ledger Nano S to store your coins securely.

Iâ??ll write about how to buy and set up your hardware wallet shortly!

With love,
Dawn

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1. Crypto
2. Investing

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