



Australia Markets close in 4 hrs 55 mins

ALL ORDS

6,194.70
-2.50 (-0.04%)



ASX 200

6,092.10
-2.20 (-0.04%)



AUD/USD

0.75
+0.00 (+0.01%)



OIL

71.61
+0.12 (+0.17%)



Want to buy Bitcoin? Here's where to start

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The recent rise, and rise, and rise followed by the subsequent inevitable fall, fall, fall of bitcoin and cryptocurrency has certainly got the headlines in a spin. With many mum-and-dad investors feeling as though they may have missed out as bitcoin ran to AUD \$26,000, only a few months later these same investors can breathe a sigh of relief that they didn't buy on the way up.

Also read: [Bitcoin: you'd be mad to miss this](#)

Now bitcoin hovering around AUD\$10,000, where does this leave us?

If you're a believer in the underlying technology of blockchain, or just believe it's wise to have a small part of your portfolio in this emerging sector, then now might be a good time to consider one of two options: to be an investor in crypto assets, or a trader.

Also read: [Is it too late to invest in Bitcoin?](#)

So what is the difference?

The Investor

The investor is someone who wants to buy and hold for a prolonged period of time.

This may be the most favoured method, as it seemingly requires a bit of leg work at the start to find the projects you want to use to balance your investment, but after that you may just want to sit back and let the market do the work.

Investing is great for a long-term view but you will have to ride out the times when the market falls and be ok with seeing your investment drop in value.

Nothing new here, it's exactly the same in any other market, but the crypto market can be extremely volatile.

This cuts 2 ways, with some having massive returns while others massive losses (if they sell).

The Trader

The trader is someone who likes to be involved in the market and is happy to follow a regular routine.

Crypto trading is suited to people who a regular day work as it's open 24-7 , allowing anyone to participate.

It also can improve the learning curve as you have more hours available to test your methods.

The trader needs to be switched on and have structured trading strategies and routines to have a chance of consistent results. Lack of knowledge and discipline often leads to loss. The biggest benefit of the trader is that they can make money in a falling market if they get the trades right.

Combine the two

In many cases I see everyday people combining the two methods. This allows you to build a longer-term portfolio while being able to trade short-term momentum. It also allows the individual to hedge their investments in a down market which results in a risk reduction strategy.

However you decide (if you decide to at all), you will need to spend time learning the in's and out's of each method. Be careful, be smart, manage your risk at all times and always make sure to surround yourself with experts and the right qualified advisors who can help you.

First and foremost, your biggest investment is your education.

Craig Cobb has 15-plus years experience in traditional markets like stocks, FX, commodities and bonds and is managing director of TraderCobb.com, an online educator for the Cryptocurrency marketplace.

