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CHECK IT OUT HERE

Bitcoin

Automated Trading Guide



Holygrail.Science

Bitcoin is a revolutionary new concept—a digital currency of the new era, not relying on any bank or government, which started few years ago as an open source project on www.bitcoin.org. It was considered by many as just another creation of Internet geeks before it took the financial world by storm this year and was suddenly raised to the ranks of major world currencies.

And if you jump in fast, you can be one of those who'll reap all the benefits.

Remember, the early bird catches the worm!



Embrace the new e-currency, free of any government and bank limitations.

Bitcoin is an absolutely new revolutionary concept: digital currency of a new era, product of an open source project created by Japanese geek Satoshi Nakamoto, called "Bitcoin: A Peer-to-Peer Electronic Cash System".

A purely peer-to-peer version of electronic cash allows online payments to be sent directly from one party to another without going through financial institutions like banks and government control.

Bitcoin puts an end to Banking system parasites: Forget the ridiculous bank wire fees and commissions.

Bitcoin is taking over the world!



It was created in 2009 as an online currency that isn't controlled by the U.S. Federal Reserve or any other central authority and just in August of last year, the exchange rate for **one Bitcoin was \$10**. This may seem high until you realize that today, **one Bitcoin is worth roughly \$250 !**



While you may think Bitcoin is solely a digital currency, it is already taking over the world with thousands of offline ATM machines that let you exchange Bitcoin for traditional cash!

Since **Bitcoin** is a currency, you can use it in exactly the same way you use any other electronic money: you open a digital wallet that can be installed on your computer or on your mobile phone and you use this wallet to pay or receive money. This is as safe (or maybe even safer) than any other digital wallet, it uses cryptography with public and private keys and all the yada-yada that guarantees security of all your electronic transactions; for example, for credit card payment or home banking.

If you are a safety geek, I can assure you, I have not ever heard about any fraud that resulted from interception and cracking a transaction secured in this way. Most of the computer crimes are related to breaching credit card storage systems (which simply does not exist in this case) or simply intercepting a user typing or other manipulations on the user's own computer via various malware (this type of interception can only be excluded on the user level by properly securing one's computer).

The advantages of **Bitcoin** stem from the fact that your transactions do not pass through any central office, bank, etc. The transactions take place between two persons and involve the entire network to approve its validity. No banks mean that the cost of transaction is kept very low. On top of that, your account cannot be frozen, it will not depend on failing banks, bad credit history etc. Opening an account does not require any prerequisites. Just your email address is enough.

Nowadays, you can use Bitcoin for almost everything: purchase music, software, hosting, video games, betting, auctions like eBay... You can even rent apartments and buy houses using Bitcoin!

Nobody expected Bitcoin to gain this much traction, but it is taking over the world faster than you might think.



Sounds too good to be true? It is true!

That is why more and more retailers worldwide already sell **Bitcoin**. Nowadays, you can **spend your bitcoins** on everything from Amazon vouchers and T-shirts to apartment rentals in Berlin. If you have your own internet business, you can **accept Bitcoin** too. That is easy. Moreover, you can **trade your bitcoins** exactly the same way you can trade euros or dollars and gain money on its rate fluctuations. Just recently, a worldwide electronic money and online payment system **WebMoney**, which has more than 11 million users, started processing bitcoins. Besides purses nominated in US dollars, Euros or Russian roubles, you can also open a WMX-purse nominated in bitcoins and use it to exchange bitcoins against other currencies or to buy goods or services.

What is Bitcoin? How does it work? How to make money with it?

This is what this book is about.

Spoiler:

By the end of our ebook, you will learn how you can profit with Bitcoin on Autopilot!

Introduction

Almost a year ago, January 2014, the price of one bitcoin stood at \$913, down slightly after reaching an all-time high of over \$1,200 earlier in December. The new cryptocurrency came a long way from trading below \$4 just two years ago. Major online and offline retailers are starting to add the new currency as a payment method. But what exactly is bitcoin?

According to a recent Bloomberg poll, only 42 percent of Americans correctly identified bitcoin as a virtual currency. Six percent thought it was an iPhone app.

Bitcoin is a peer-to-peer digital currency launched in 2009 by “Satoshi Nakamoto”. Satoshi worked on the project alone for 2 years before releasing the code to the public. He disappeared shortly after creating the cryptocurrency, but before leaving he posted the now infamous quote:

“It might make sense just to get some in case it catches on”

Satoshi Nakamoto, January 17th, 2009.

What’s so special about Bitcoin?

Bitcoin is a cryptocurrency and a new and unique financial vehicle, unlike anything the world has ever seen. It’s called a cryptocurrency because it uses cryptography to control the creation and transfer of money. Despite the name, there is no physical coin to speak of, Bitcoin is a completely electronic form of money.

Bitcoin solves the so called “double spending problem” present with digital goods. For example, if I have an mp3 file or an ebook on my computer, I can freely copy that file a thousand times and send it to a thousand different people. For a digital currency, the possibility for unlimited copying would mean a quick hyperinflationary death. Bitcoin solves this by maintaining a peer to peer network and recording each transaction in a public ledger called the block chain. Say I send 1 bitcoin from my bitcoin address to my friend John. The bitcoin network records that transaction in the block chain and I no longer have possession of that bitcoin. The coin “moved” from my bitcoin wallet to John’s wallet.

What’s so special about Bitcoin? There are many arguments on whether the new virtual currency will succeed or fail. We will not get into this nor discuss the politics behind the project. Our concern is strictly with the profit opportunities provided by this new payment phenomenon.

In the next few pages on the new digital currency we will outline our thoughts from the perspective of a trader and a potential investor in this upcoming market.

Bitcoin Basics

Bitcoin is a peer-to-peer virtual currency. This means that in order for a transaction to occur, no middle men or central authority is needed. You can send any amount of bitcoins to anyone living anywhere in the world, completely eliminating the need for traditional third parties like banks or money transmitters. The cryptocurrency also allows the bypassing of capital and AML restrictions.

In order to send or receive bitcoins, all you need to have is a bitcoin address and internet access. You only need to be online long enough for the transaction to process. Similarly to traditional bank accounts, you can receive bitcoins to your bitcoin address even if you're offline. When you want to "collect" your coins however, you'll have to find an internet connection.

How to get a bitcoin address

Like we mentioned previously, in order to send or receive bitcoins you will need to have a bitcoin address. You can get a bitcoin address either by downloading the bitcoin client or by getting an online wallet. The two most popular btc clients are Bitcoin-qt and Multibit. The main difference between these two clients is in the size of the block chain that needs to be downloaded. If you decide to go with Bitcoin-qt, have at least 10 Gigabytes free space on your hard drive for the block chain. As Bitcoin-qt is the "official" bitcoin client, if you can spare 10 GB, go for this option. [Here's a page](#) that has step by step instructions on installing Bitcoin-qt.

Multibit is a lightweight version of the bitcoin client. You can read more about it [here](#).

Where are my bitcoins stored?

But where are the bitcoins actually stored? After you install one of the two clients above, you can find your bitcoins in a file called wallet.dat. If you use windows this file will be located in the application data section. If your computer gets stolen or lost and you haven't made a copy of the wallet.dat file you will lose your bitcoins. It is always recommend to backup this file.

The bitcoins can also be stored in online wallets. There are specialized websites that offer bitcoin wallet services. However due to these sites being a frequent target for hackers, keeping bitcoins in online wallets is not recommended when you can easily store them offline on your computer. Wallets can be useful for storing small sums of bitcoins so that you can make quick online purchases. Some of the more popular wallet services are [Blockchain](#) and [CoinKite](#).

Btc exchanges are a somewhat safer place for your bitcoins compared to online wallets because they keep most coins in what is known as "cold storage". Usually over 90% of the bitcoins deposited on an exchange are kept offline. A small 5 to 10% reserve is kept onsite for immediate redemption purposes. There are plenty of guides online on how to store/secure bitcoins, go over them. It's always safer to take care of this process yourself then to trust a third party with a substantial amount of bitcoins.

Bitcoin Advantages

Bitcoin has several advantages compared to traditional money transmitting services. We already mentioned two of these above, the elimination of the need for third parties and the bypassing of restrictions.

Another major plus of the new cryptocurrency is the very low cost for sending and receiving bitcoins. While it is possible to send transactions completely free of charge, it is recommended to pay the small fee in order to speed up the sending process.

The fee amount depends on the data size of the transaction. A typical transaction is 500 bytes and carries a fee of 0.0001 BTC. At current prices of \$250 per bitcoin, this amounts to a charge of 2.50 cents.

Because the fee is completely dependent on a transaction's data size and not on the number of bitcoins being sent, a \$10 transfer will carry the same fee as a \$10 Million transfer. The fee will take a 0.25% piece of a \$10 transfer but that same fee will only take 0.00000025% of a 10 Million transfer.

Bitcoin offers benefits to merchants as well, as transactions that involve the digital currency are secure and irreversible. Without the risk of fraud or fraudulent chargebacks, merchants can offer their products at a discount thereby generating more sales or pocket the difference themselves. In addition, with card processors out of the picture, merchants can save on the percentage cut taken by Visa / MasterCard.

Bitcoin and transparency

The screenshot shows the Blockchain.com website interface. At the top, there is a navigation bar with the Blockchain logo and links for Home, Charts, Stats, Markets, Developers, and Wallet. A search bar is located on the right. The main content area is titled "Largest Recent Transactions" and lists three transactions. Each transaction entry includes a long alphanumeric Bitcoin address, a green arrow pointing to the right, another long alphanumeric address, and the amount in BTC. The first transaction is for 205.83224552 BTC, the second for 206.40070784 BTC, and the third for 0.5356 BTC. At the bottom of the page, there is a footer with "About & Contact: About Us - Status: Ok (703 Nodes Connected) - Advanced: Enable - Currency: Bitcoin" and a dropdown menu for the currency.

The picture above shows some of the recent large transactions recorded in the block chain. The first transaction is for 205 BTC, the equivalent of \$51,250 at today's prices. The long lines of letters and numbers you see in the pic are bitcoin addresses. A bitcoin address consists of 27-34 alphanumeric characters, beginning with the number 1 or 3. You can have as many addresses as you want, they're free and easy to generate.

Notice that there is no name that goes along with the bitcoin address. This is what outside observers mean when they say "Bitcoin is anonymous". Bitcoin is in fact "pseudo anonymous". While all bitcoin addresses and transactions are public, the holders of those addresses remain hidden.

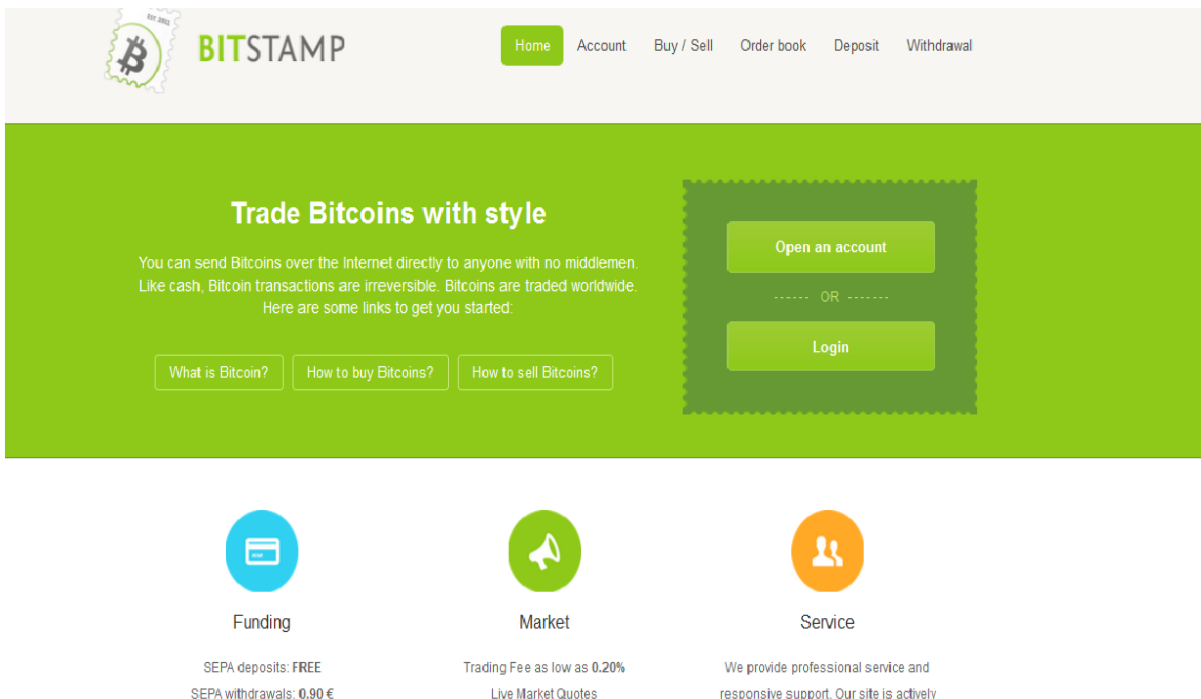
The only thing that can be discerned by looking at the block chain is that address 1XXxxxXXXxxxxxxXX sent 100 Bitcoins to address 3XXxxxXXXxxXXxxXX at a certain time. Who sent the coins, the reason for sending, and the users location is not revealed.

However, keep in mind that as soon as you connect your bitcoin address to your real identity (for example, by purchasing bitcoins online or in a face to face meeting), the pseudo anonymity provided by bitcoin is lost. There are ways to regain the lost anonymity but that is beyond the scope of this introductory article.

Buying Your First Bitcoin

But how can you actually get a hold of a bitcoin? The easiest way to acquire bitcoins is to buy them at an online exchange. There are three major bitcoin exchanges, each of them with their own unique properties and a different fee structure.

Bitstamp.net



The screenshot shows the Bitstamp.net website homepage. At the top, there is a navigation bar with the Bitstamp logo (a Bitcoin symbol with 'BITSTAMP' next to it) and a menu with links: Home, Account, Buy / Sell, Order book, Deposit, and Withdrawal. Below the navigation bar is a large green banner with the text 'Trade Bitcoins with style'. Underneath this, it says: 'You can send Bitcoins over the Internet directly to anyone with no middlemen. Like cash, Bitcoin transactions are irreversible. Bitcoins are traded worldwide. Here are some links to get you started:'. There are three buttons: 'What is Bitcoin?', 'How to buy Bitcoins?', and 'How to sell Bitcoins?'. To the right of these links is a dark green box with a scalloped border containing two buttons: 'Open an account' and 'Login', with 'OR' in between. Below the banner are three columns of service highlights, each with an icon and text:

- Funding** (blue icon): SEPA deposits: FREE, SEPA withdrawals: 0.90 €
- Market** (green icon): Trading Fee as low as 0.20%, Live Market Quotes
- Service** (orange icon): We provide professional service and responsive support. Our site is actively

If you're European, [Bitstamp](https://www.bitstamp.net) is your best bet to get some bitcoins at a low cost. The company is based in Slovenia, part of the EU. Deposits by SEPA are free, withdrawals are charged a fixed 0.90€ fee once the funds are converted to Euros. Because Bitstamp only offers trading in BTC/USD (Bitcoin versus the US Dollar) all Euro transfers are immediately converted to Dollars. If you want to withdraw by SEPA, you have to convert your funds back to Euros.

The fee structure favours big traders and market makers. The basic fee for new accounts starts at 0.5% and goes all the way down to 0.2% if you trade over \$150,000 in one month.

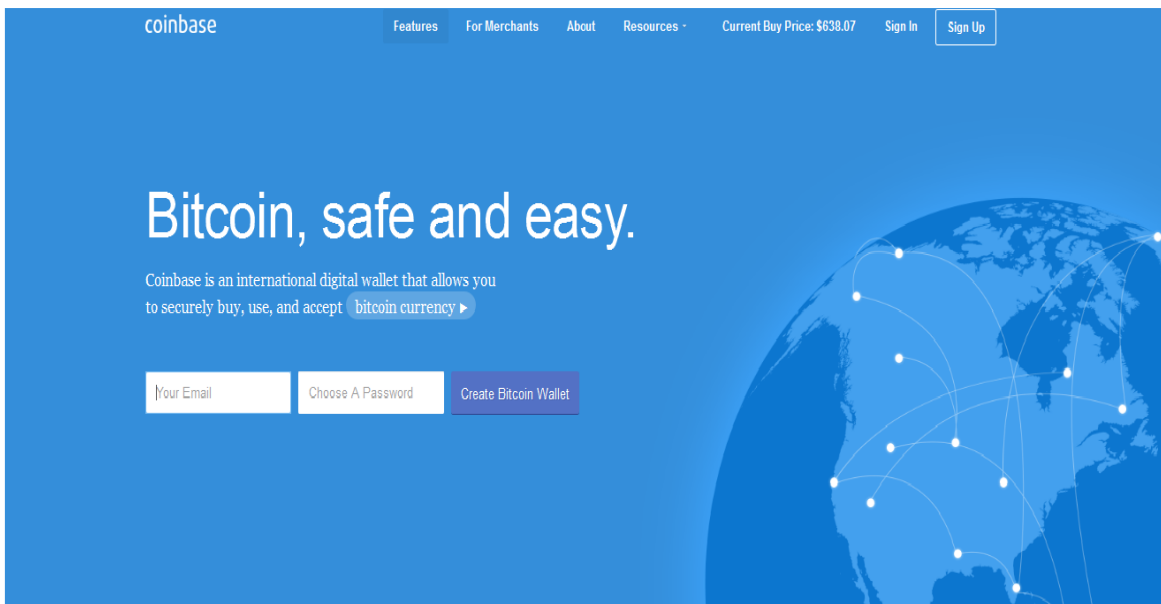
Yes forex traders, you heard that right, the LOWEST fee structure is 0.2 percent. The 0.2% charge is per side, so you will get hit with this fee whenever you buy or sell bitcoins.

Terms Of Use >	0.50%	< \$500
Privacy Policy >	0.48%	< \$1,000
AML Policy >	0.46%	< \$2,000
Cookie Statement >	0.44%	< \$4,000
Risk Warning >	0.42%	< \$6,500
	0.40%	< \$10,000
	0.38%	< \$15,000
	0.36%	< \$20,000
	0.34%	< \$25,000
	0.32%	< \$37,500
	0.30%	< \$50,000
	0.28%	< \$62,500
	0.26%	< \$75,000
	0.24%	< \$100,000
	0.22%	< \$150,000
	0.20%	> \$150,000

Luckily, the spread between the bid and the ask price is very low, most of the time ranging between 1 and 2 dollars. At a current bitcoin rate of \$250, this amounts to an added cost of 0.1 to 0.25%. You only pay the spread if you want to enter a trade right away with a market order. If you placed a limit order to buy and you're willing to wait until someone wants to sell, you can purchase your bitcoins at a small discount at the bid and later sell them at the ask, pocketing the spread in the process.

Bitstamp has largely avoided the deposit and withdrawal problems that plague many bitcoin exchanges. With a lack of regulation on the upcoming virtual currency and its checkered past, many financial institutions remain reluctant to get involved with processing bitcoin related transactions. You can deposit funds in USD, EUR, GBP and CHF. US clients are accepted.

Coinbase.com



Coinbase is probably the easiest and safest way to purchase bitcoins in the U.S. Unlike BitStamp, Coinbase is not an exchange. They act as a counter-party to all customer trades, you buy or sell your bitcoins directly to Coinbase. The buy/sell fee is 1% on top of the buy/sell spread. The bid/ask is usually close to BitStamp where the firm gets its liquidity from. For example, the current bid is at \$244.48 and the current ask is \$247.07. In addition to this, the firm has daily limits on the amount of bitcoins bought/sold. These limits are not applied on the individual level. Basically Coinbase has a set amount of bitcoins that it is willing to buy or sell every day. During times of high volatility, users may not be able to buy/sell bitcoins until Coinbase decides to “refill” their stock. Here’s a good explanation on this issue from their Customer Support:

“The limit you’re seeing is Coinbase’s daily limit being reached, not your personal limit. Sometimes the Coinbase site itself will run into a daily rolling limit on purchases or sales if there is an exceptional amount of activity in the bitcoin markets. We put up this temporary pause to make sure that we have enough funds to accommodate the transfer orders being created. This should be a rare exception rather than the general rule however. There is no specific time of the day where this limit starts – it’s on a 24 hour rolling basis. It might be best to check in at 6am or 7am Eastern Standard Time tomorrow. Sorry for any inconvenience this has caused you – we know this can be frustrating. This is something we’re working on as we speak.”

Coinbase claims that over 97% of all customer funds are stored offline in bank vaults to prevent theft or loss. If you live in the States, you can easily link your bank account to Coinbase to facilitate quick and easy bank transfers.

Link A Bank Account

Your name

Type Checking Savings Business checking

Routing number

Account number

John Smith 102
100 Main Street
Anytown 10012

PAY TO THE ORDER OF _____ \$
_____ DOLLARS

MEMO _____

BTC-E.com

If you're a forex trader, [BTC-E](#) is probably the easiest exchange to get into. The company offers its own MetaTrader platform. The instrument comes with a leverage of 3 to 1 and the ability to short bitcoin. Shorting is not an option at Bitstamp. You can still sell any bitcoins you already own at these exchanges but you won't be able to short bitcoin outright.

The fees on MetaTrader are slightly higher, 0.3% per side compared to 0.2% if you used btc-e's web interface. If you're a forex trader btc-e might strike you as the best option of the three. But alas, nothing is as straightforward in bitcoin world.

No one knows who the real owners behind btc-e are. Apparently the headquarters of the company are in Bulgaria and the support staff is more familiar with Russian than with English, but the rest is a mystery. The company operates a complicated deposit and withdrawal process that relays the money through several banks and payment processors

before depositing them to your account. If you plan to deposit on BTC-E, make sure to follow their deposit instructions to the letter. Because the deposits go through a web of banks, tracking down a lost deposit is near to impossible.

On the plus side, the company does offer deposit and withdrawal by several popular e-wallets like Webmoney, PerfectMoney, Ukash and Paypal (withdrawal only \$500 minimum). According to user reviews, deposits and withdrawal by these methods are a lot faster and smoother compared to bank wires.

BTC-E does accept US clients. However, starting from the middle of December 2013, the company stopped processing US dollar wires or any wires connected to a US bank. Here is an email reply to a customer's question on this: "We don't accept international wire transfers from US Citizens or from US Banks. All transfers from US Citizens or US Bank will be refused by bank."

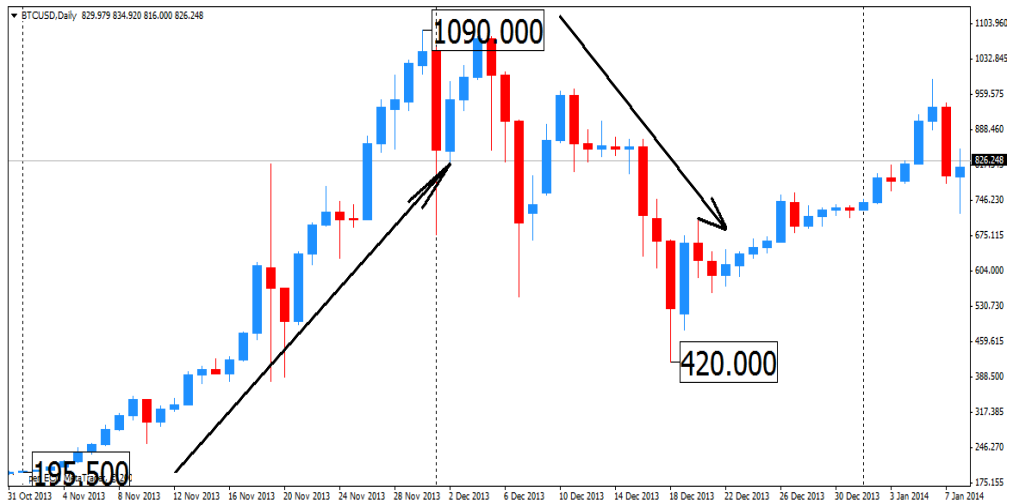
Other ways to purchase bitcoins

Aside from the exchanges, you can also buy bitcoins on ebay and similar auction sites. Keep in mind that due to the possibility for chargebacks and fraud, bitcoin and other cryptocurrencies trade at a premium on ebay. Face to face meetups are another option to acquire bitcoins. Check localbitcoins.com for bitcoin sellers and buyers near your area. Always exercise caution when doing an offline exchange. Meet during the daytime and in places with a lot of people around. If possible, bring a friend.

We'll leave the choice of where to buy your first bitcoin up to you, we hope that our presentation relayed enough information to help you make an informed decision. It all depends on your needs and requirements. Some exchanges are better for trading, others have superior banking relations with bankwire deposit and withdrawal options.

Leveraged Bitcoin Trading

In this section we'll go over several options for trading bitcoin on margin. We'll also outline the options to short the virtual currency. Before we go any further, a caution is in order. Bitcoin prices are highly volatile. Prices rose from a low of 195.50 on November 1st to a high of 1,090 by November 30th 2013. From here, the btc price crashed to a low of 420 on December 18th, only to go back up and retest the 1,000 level in January of last year. One bitcoin is currently worth 247.88 on btc-e. The chart below demonstrates this volatility.



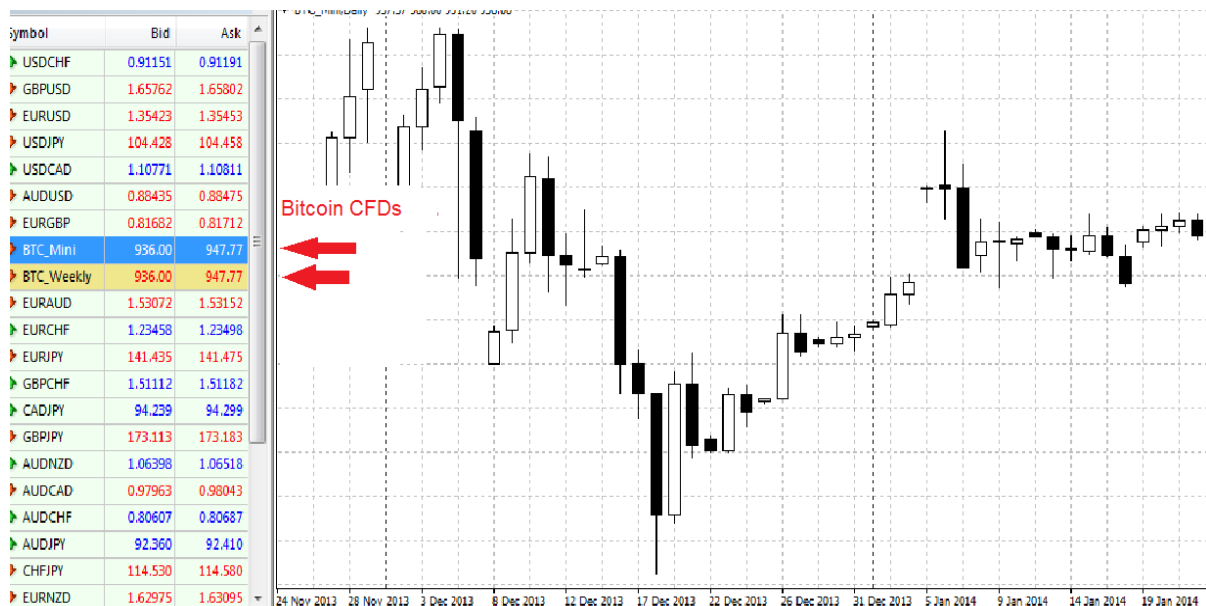
Unlike major forex currency pairs which barely move 1 percent per day, bitcoin prices can rise or fall over 30 percent in a single day. If you know how to trade, you don't really need any leverage to make money with bitcoin. With that caution out of the way, let's get down to business and go over some of the options for leveraged btc trading.

We already wrote about one of the more competitive options for shorting bitcoin and leveraged trading, BTC-E. The Bulgarian exchange offers the popular MetaTrader platform with 3 to 1 leverage, shorting capability and a low fee of 0.3 percent per side.

AVA Trade

[AVA Trade](#) is a forex broker that offers bitcoin trading through a CFD. Two bitcoin CFDs are available, Bitcoin Mini and Bitcoin Weekly. The Bitcoin Weekly CFD has a 20 to 1 leverage and expires every Friday at 21:00 GMT. The Bitcoin Mini only has a 2 to 1 leverage but doesn't expire. Both contracts are using data from BTC-E and AVA Trade adds around 10\$ premium on top of the exchange spread.

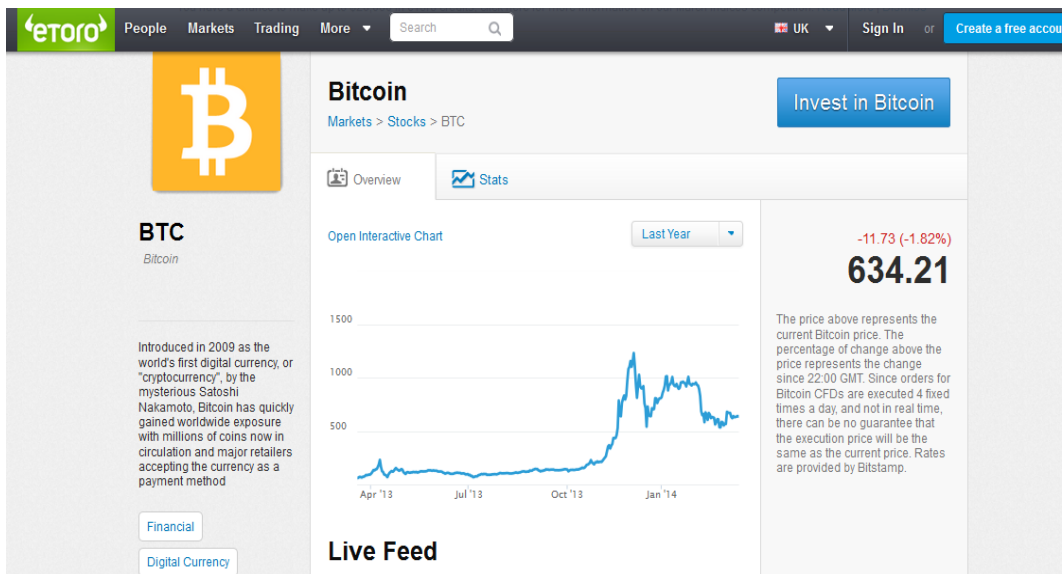
Here's a snapshot of AvaTrade's MT4.



A major flaw of both contracts is the inability to trade them during the weekend. Bitcoin trading is completely decentralized and doesn't rely on a network of banks for executing trades thus there is no set open and closing time. Unlike forex which trades 24/5, bitcoin trades 24/7 (except on AvaTrade). As can be seen on the chart, large gaps are frequent on AVA Trade's Bitcoin CFD due to this policy. AvaTrade does not accept US clients at this time.

Etoro.com

Etoro.com is one of the latest forex brokers to offer bitcoin trading. Unfortunately, the product is not very suitable for day trading as you can only enter and exit the market four times per day. It uses the BitStamp's data feed as a price reference. You can read more about Etoro's bitcoin offer [here](#). Here's a snapshot of their bitcoin CFD in action:



Unfortunately despite having a dedicated US part of the site (link to <http://www.etoro.com/usa>) , eToro doesn't seem to accept US clients at this time. Here's a part of the Q&A section that deals with this question: "As part of our ongoing optimization process currently underway in the US, we have temporarily suspended our service. Therefore, at this time we will not be accepting new clients or funds from existing US customers. While you're here, you are welcome to continue experiencing eToro through our practice mode, which will stay available and free to all."

Btc.sx

[Btc.sx](#) offers a 10 to 1 leveraged product based on BitStamp's data feed. Similarly to Ava Trade, Btc.sx adds around 10\$ to the spread at BitStamp. You will need a deposit of at least 0.01033 of a bitcoin in order to trade at Btc.sx. At current bitcoin prices of \$250, this amounts to around 2.5\$. Btc.sx is dually incorporated in England and Singapore. The exchange currently accepts only bitcoin deposits, no fiat currency deposits are allowed.

The screenshot displays a trading interface with three main sections:

- Wealth Section:** A table showing account metrics:

Balance	B	0.00730730
Deposit	B	0.10269270
Profit/Loss	B	-0.01282442
Net Value	B	0.09717568
USD Value		90.69
- Trade Section:** Shows a long position with a trade size of 0.001 B/Pt. The current price is 922.93. A red 'Sell' button is at 972.93, and a blue 'Buy' button is at 938.87. Below this, it lists:
 - Deposit Required: B 0.1033
 - Position Size: B 0.9309
 - Daily Funding Cost: B 0.0094
- Open Positions Section:** A table with the following data:

Opened	Direction	B/Pt	Open	Stop	Trail	Limit	Deposit	Size (B)	Funding Cost	Profit/Loss (B)	Action
19 Jan 14.03	Buy	0.001	935.580	847.580	-	-	0.103	0.934	0.009	-0.01282	Liquidate

The pic above shows a bitcoin long position. Btc.sx has several restrictions that make trading with leverage problematic. The exchange doesn't support moving the stoploss after entry. When contacted about this, their support team told us that "this feature will be implemented in the next few months". Our question is why isn't it already implemented?

As you can see on the picture, you can only set the stoploss as a distance from the current price (in the pic this is set as 50 points). The default is 88 points below entry. This is exactly where my stop was, 88 points below 935 at 847. There is a trailing stoploss option but despite my best efforts, I couldn't make it work. So essentially, once you set your stoploss on Btc.sx, you're stuck with it.

The high rollover cost also makes leveraged trading at Btc.sx problematic. The currency rollover cost for my position was 0.0094 of a bitcoin, that's 8.8 US Dollars, far too high for a 1,000 usd position in my opinion. Because the company only allows deposits and withdrawals in bitcoin, it has largely avoided the US Dollar deposit/withdrawal issues encountered by other btc exchanges. Btc.sx does allow US clients.

Bitcoin Options

Besides CFDs, the new cryptocurrency has also helped spawn a new options market. Currently several companies are in the business of offering Bitcoin options. Anyoption.com is one of the more established option houses that offers trading in the virtual currency. You can bet on rising or falling bitcoin prices. Anyoption.com is not an option for US clients, the company doesn't accept USA traders at the moment. Here are some of the current btc options on offer.

Binary options | Options trading Already have an account? [LOGIN](#) »

anyoption
anyone can trade

OPEN ACCOUNT OPTION TRADING BANKING ASSETS

BINARY OPTIONS OPTION+ BINARY 0-100 ONE TOUCH **bitcoin**






BITCOIN OPTIONS The world's biggest bitcoin exchange

EXPIRES	OPTION	PROFIT(%)	UNITS	PRICE(\$)	RETURN(\$)	
31.01.14	Bitcoin 1,400.0 ▲	70 %	2	\$ 100	\$ 170	BUY »
Will bitcoin price (as defined in the general terms) touch or go above 1,400.0 at 17:00 31.01.14						
31.01.14	Bitcoin 1,300.0 ▲	50 %	2	\$ 100	\$ 150	BUY »
Will bitcoin price (as defined in the general terms) touch or go above 1,300.0 at 17:00 31.01.14						
31.01.14	Bitcoin 700.00 ▼	50 %	2	\$ 100	\$ 150	BUY »
Will bitcoin price (as defined in the general terms) touch or go below 700.00 at 17:00 31.01.14						
31.01.14	Bitcoin 650.0 ▼	70 %	2	\$ 100	\$ 170	BUY »
Will bitcoin price (as defined in the general terms) touch or go below 650.0 at 17:00 31.01.14						
15.02.14	Bitcoin 1,500.0 ▲	70 %	2	\$ 100	\$ 170	BUY »
Will bitcoin price (as defined in the general terms) touch or go above 1,500.0 at 17:00 15.02.14						
15.02.14	Bitcoin 1,400.0 ▲	50 %	2	\$ 100	\$ 150	BUY »

Predictious

Predictious.com is a betting websites that matches buyers and sellers and doesn't price the options themselves. Besides betting on bitcoin's demise or rally, you can also try to predict the next winner of the Oscars or bet on which party win control the US Senate after the 2014 elections. Currently the site takes bitcoin deposits only. Predictious does accept US clients.

- All Events 179
- US Politics
- US Senate elections 2014 3
- US House of Representatives elections 2014 3
- US Presidential Election 2016 Winner 31
- US Presidential Election 2016 Gender 2
- US Presidential Election 2016 Party 2
- Republican Presidential Primaries 2016 39
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- Marijuana legalization 3
- EU Politics
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- Next UK Prime Minister 21
- World Politics
- Brazilian Presidential election 2014 7
- Turkey Presidential election 2014 28

	Rand Paul to win US Presidential Election 2016 32 months left	Sell at 0.67	Buy at 1.20
	Chris Christie to win US Presidential Election 2016 32 months left	Sell at 0.80	Buy at 0.99
	The Republicans to control the House of Representatives after 2014 Congressional Elections 9 months left	Sell at 7.01	Buy at 8.95
	Hillary Clinton to win US Presidential Election 2016 32 months left	Sell at 2.66	Buy at 3.29
	Woman to win US Presidential Election 2016 32 months left	Sell at 2.84	Buy at 3.59

What Drives Bitcoin Prices?

Regulation

Regulation and other actions by government entities has one of the biggest impacts on the price of bitcoin. The US and Chinese governments are the ones to watch. Somewhat favorable comments by US lawmakers in November and December of last year underpinned the bitcoin rally.

At a Senate committee hearing last month a Justice Department official said that “bitcoins can be a legal means of exchange”. The new cryptocurrency can be exploited by “malicious actors” and should be subject to “rules to protect people”, the agency added.

Increased bitcoin purchases from China and the adoption of the currency by Chinese online businesses were another driver that helped push the BTC/USD price from 195.5 at the start of November to a high of \$1090 30 days later. Baidu, the biggest Chinese search engine started to offer payments in bitcoin. The chart below shows the remarkable November rally.

November rally

The silence of the Chinese authorities was seen as a subtle acceptance signal by market participants. The situation didn't last long however. On December 7th, The People's Bank of China barred financial institutions from buying or selling virtual currency or Bitcoin related products. The Bank also demanded that businesses stop with the practice of pricing their products in Bitcoins. BTC/USD opened the day at \$906.50 on BTC-E. After the news hit the wires, bitcoin prices crashed from to a low of \$551 in only 9 hours, a fall of 39%.



December 7th is marked with a yellow rectangle on the chart above.

After a small dead cat bounce to \$970 in the next few days, bitcoin prices resumed their decline. BTC/USD marked an interim low of \$420 US dollars for one bitcoin on December 18th.

Increased Adoption and an Expanding Marketplace

At the start of 2012, one bitcoin was worth exactly \$4.72. One year later a piece of the new currency could buy you a book on amazon (\$13.51). On January 1st 2014, buying a single bitcoin would set you back \$806.

With the 2008 financial crisis still fresh in people's minds, most wrote off Bitcoin's rising price as just another "bubble". But what a lot of people failed to grasp is why the price is going up. While speculation and betting on higher prices certainly played their part in the process, a major reason behind the gains is very simple, increased adoption of the cryptocurrency.

According to BitPay, a Bitcoin Payment Service Provider, as of November 2013 there are over 14,000 merchants currently accepting bitcoins. Two years ago this number stood at few hundred. The number of transactions facilitated by Bitpay increased tenfold in 2014 and crossed the 50,000 mark in November. The payment processor said that 6,296 bitcoin transactions occurred on Black Friday last year, up from only 99 transactions the year prior.

Some of the notable adopters as of late include Richard Branson's Virgin Galactic. You can now buy a private flight into space with your bitcoins. Zynga, the facebook games platform, offered the bitcoin payment option to players in "FarmVille 2", "CastleVille" and other games. Major adult websites are also starting to accept the new currency as a means for payment.

All of these developments point to one thing. The Bitcoin marketplace is expanding at an astounding rate of growth. The businesses and individuals that embrace this new phenomenon will have a leg up over their competition going forward.

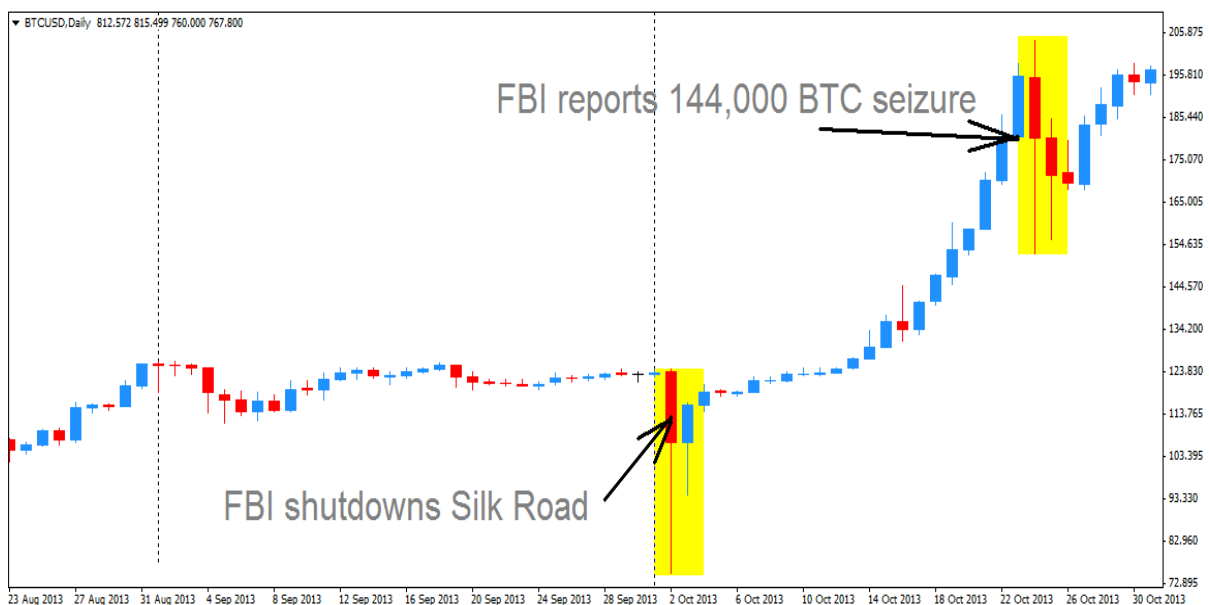
Usage in outlawed activities

The third biggest fundamental driver of bitcoin prices is the increased (or decreased) usage in activities outlawed by governments. Bitcoin's pseudo anonymity has facilitated dealings in anything from the purchase of contraband like illegal drugs or weapons to bypassing capital and investment restrictions and tax avoidance. Government crackdown on these activities tends to suppress the price of bitcoin.

A notable example of this was FBI's shutdown of the "Silk Road" marketplace. The website had over 10,000 products for sale, 70% of which were drugs that are illegal in most countries.

Around 340 different varieties of drugs were offered on the site. The site functioned as an “Ebay for drugs”, connecting buyers with sellers and not doing any dealing themselves.

The FBI shut down Silk Road on 2 October 2013. The alleged chief operator of the site, Ross William Ulbricht (also known as Dread Pirate Roberts) was charged with alleged murder for hire and narcotics trafficking violation. The agency confiscated over 26,000 bitcoins from different accounts on Silk Road, worth approximately 3.6 million US Dollars back then. Twenty days later, the FBI reported that they had seized 144,000 BTC thought to belong to Ulbricht.



The chart above shows the bitcoin market’s reaction to the website’s shutdown and the subsequent btc confiscation. Bitcoin prices plummeted from 123.95 to a low of 75.20 on the news. The market didn’t take long to recover however as most took the plunge as an opportunity to buy some cheap bitcoins. Prices were back to 118 two days later.

The second yellow rectangle on the charts marks the FBI’s announcement of the large btc confiscation. The prospect of an US law enforcement agency holding a large chunk of bitcoins spooked markets. The BTC/USD took a dive from 195.20 to a low of 152.49 on the news. But as can be seen on the chart, the spike lower was again used by investors to gable up coins at a bargain.

It is interesting to note that a major bitcoin rally started right after the Silk Road shutdown, somewhat dispelling critics arguments that the virtual currency was mainly used as a tool for facilitating drug trafficking. In the months following the site's closure, several major online and offline businesses started accepting bitcoins. These include major US retailers like Overstock.com and Tiger Direct. The CEO of Overstock.com reported that the company logged more than 800 purchases using Bitcoin on the first day they started offering the new payment solution, totalling \$130,000. The company estimates that Bitcoin buyers have made \$500,000 in purchases in the first 14 days since the new payment option was offered.

But what about the supply side?

Traders with experience in other commodity markets are probably asking themselves why the supply topic is placed last in an article that goes over the drivers of bitcoin prices. The reason is because when it comes to bitcoin, the supply doesn't have much of an impact on the price. This is because the supply is constant and known beforehand and SHOULD therefore be already priced in. Situations like finding a huge oil field that significantly depresses oil prices is not possible with bitcoin. Let me explain.

The supply of bitcoins grows by the process called "mining" bitcoins. The supply is expected to increase by 10% in 2014 after going up 11.11% last year. The rate of block creation is 6 per hour with each block worth 25 bitcoins (around 25k USD). If more mining power goes online and the block generation increases to 7 blocks per hour for example, the so called "mining difficulty" will go up until the 6 blocks per hour average is reaffirmed. On the other hand if miners generate less coins then the difficulty will go down making it easier to generate new coins. You can read more about the supply of bitcoins [here](#).

Wall Street Bitcoin Forecasts

With the mark of drug trafficking of the record, the new cryptocurrency was also starting to attract the attention of Wall Street. Wedbush Securities, a little known analyst firm put a forecast of around \$98,500 on the price of one bitcoin. The analysts expect bitcoin to rise by 10 to 100 times its current value as the new technology partly replaces traditional payment processors and money transmitters. Bank of America Merrill Lynch wasn't as optimistic in its forecasts. The Bank's analysts predict a maximum "fair" estimate of bitcoin of \$1,300.

The Winklevoss twins told CNBC that a \$400 Billion market cap for BTC would be a "small bull case scenario". With around 12 Million bitcoins currently in circulation, to reach that market cap one bitcoin has to be

worth a fantastic \$40,000. The brothers are major investors in bitcoin after getting rich from an early investment in Facebook.

The largest potential for “disruption” to the current status quo lies in taking a chunk out of the payment processors market. Visa and MasterCard are estimated to take a 2 to 3 percent cut of every card transaction. By using bitcoin instead, merchants stand to improve their bottom line by at least 2 percent. In addition, because bitcoin transactions are irreversible, there is no possibility for chargebacks and fraud. This reduces the costs of operation by another several percentage points.

Another area “ripe” for disruption is the money transfer market. The market is currently dominated by large players like Western Union and MoneyGram, WU for example can earn upwards of 10 percent per transaction on international remittances. By comparison, a bitcoin transaction shouldn’t cost more than 5 percent even after accounting for all exchange and bank wire fees for both the buyer and the seller on each side of the remittance. If no fiat currency is involved, sending and receiving bitcoins is almost free and costs 0.0001 btc regardless of the amount. This is around 9 cents at current btc prices.

Additional Bitcoin Resources

There are plenty of resources online where you can learn more about bitcoin and its unique properties. Here are some of the major websites that can help you speed up the learning process.

Weusecoins.com Provides simple instructions for setting up your first bitcoin wallet and purchasing bitcoins.

The Bitcoin Wiki. Plenty of articles on any bitcoin related topic that range from securing your wallet, dealing with scams, mining bitcoins, to a list of online and offline businesses that accept the new currency.

Bitcointalk.org The main bitcoin forum. Use it only after you’ve got the basics down by following the previous two links. Use this resource to ask questions about more advanced topics.

Bitcoincharts is the most popular website for following the current bitcoin price. The site provides a rundown of all major btc exchanges by volume. You can also arrange the markets to only display the Euro or the Japanese Yen versus bitcoin on the different exchanges. Like the name says, the website also offers charts with several popular technical indicators. The choice of timeframes ranges from 1 minute all the way to the Weekly TF. Plus, you get to see the current market depth at the different exchanges.

Bitcoinity.org Another popular charting resource, very similar to Bitcoincharts. Recently switched to mBTC pricing, 1 mBTC = 0.001 BTC. They still offer the option to display prices in BTC instead.

CoinDesk.com Coindesk provides daily news on bitcoin and other cryptocurrencies.

[DC Magnates](http://DCMagnates.com) focuses on news about different digital currencies including bitcoin. It was launched by the same team from Forex Magnates, a popular forex industry news website that many of our forex readers are probably familiar with.

Places to spend your bitcoins

The following three sites provide an interactive map of bitcoin merchants near your area.

- <http://bitcoin.travel/>
- <http://www.bitcoinmaps.org/>
- <http://coinmap.org/>

<https://en.bitcoin.it/wiki/Trade> Provides a long list of bitcoin merchants. The wiki page showcases different categories of businesses. You can find anything from major retailers like Overstock and Target to forex brokers accepting bitcoin deposits and bitcoin specific stock and options markets.

<https://en.bitcoin.it/wiki/Category:Games> Bitcoin's pseudo anonymity helped trigger a revival in the games of chance industry. This wiki page provides a selection of places where you can gamble away your bitcoins. Includes card games, dice rolls, poker sites and online casinos.

Bitcoinstore.com One of the first websites to offer bitcoin purchases.

Gyft.com By using bitcoins to buy gift cards from Gyft.com you can get 3% back. The selection of gift cards includes major retailers like Amazon, GameStop, Target, Wholefoods and a lot more.

How to trade Bitcoin smartly:

Technical analysis primer

You now know that bitcoins behave like usual shares or currencies. It means you can apply all the powerful methods of technical analysis — that's the collection of tools that was developed for professional traders and have made many of them astonishingly rich. Of course, you need to be smart (and, if you are reading this book, you definitely are!) to outsmart the market and the brave. And, we have to add the usual disclaimer: only invest money that you can afford to miss. Never invest borrowed money as you might end in deep trouble otherwise.

What is the idea of technical analysis in a nutshell? —It is very simple. You can gain much more for your investment if you do not just sit and wait, but rather use the cyclic character of price evolution and sell your stock (here bitcoins) when the price is high and buy them again when the price is low. To do it properly, you need to determine the trend and find the right moments when the trend is reversed.

Trend is your friend

Let us start with determining the trend. The easiest thing to do is to use a moving average. That is a very simple approach that you can try in your Excel spread sheet in a matter of minutes. I will show you how. The point is that the price always fluctuates. Your averaging algorithm has to smooth the fluctuation sufficiently, on one hand, while still showing you the changes in the trend as soon as they occur (this property is called **responsiveness**). Obviously, these two requirements are orthogonal, and you need to balance them. Simple moving average (SMA) involves just taking the price for a given day, add to it the prices at a given number of previous days and divide the sum by the total number of days. So, the value of every point of your SMA graph is (I take here an average over 10 days):

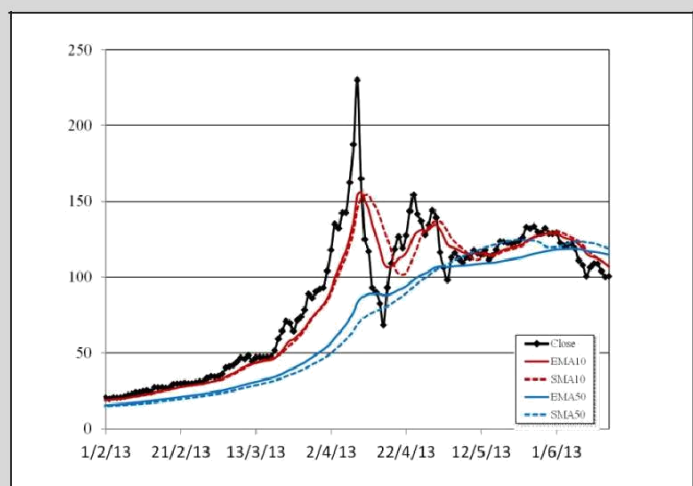
$$p_i^{SMA10} = \frac{1}{10} (p_i + p_{i-1} + \dots + p_{i-9})$$

The problem with this sort of averaging is that you take into account equally the today price and the prices that happened many days ago. As a result, your SMA10 curve predicts tomorrow's price mainly based on the prices from several days ago. For such a volatile currency as Bitcoin, this

is not a very good idea. To correct for that, you can take more recent price values with a higher weight in your averaging. The simplest realization of the weighted moving average (WMA) would be just to account for the most recent price twice. Or, for our SMA10, we can

multiply the current day price by 10, the previous day by 9 and so on

$$p_i^{WMA10} = \frac{1}{55} (10p_i + 9p_{i-1} + \dots + 1p_{i-9})$$



Bitcoin pricing Feb-June 2013 together with simple (SMA) and exponential moving averages (EMA). Note that EMA reacts faster to the pricing changes.

Another very commonly used approach is called exponential moving average (EMA). It works like an integrator or low pass digital filter. It is calculated recursively, so to calculate today's EMA, we need to know the EMA from yesterday and today's closing price:

$$EMA_{10}^i = \frac{2}{10+1} p_{i+1} + \left(\frac{2}{10+1} \right)^i EMA_{10}^1$$

When we calculate the first point long-long time ago we can simply approximate EMA with SMA. If you compare EMA and SMA, you can notice that EMA reacts faster to the changes in trend, while SMA better reflects the average prices. The choice between them is your preference. You can also think about some other smart ways to make an average.

All these functions are easy to implement in Excel or any other software of your choice. I took some historic data from BTC-e and applied these averaging methods to obtain trend lines.

Spoiler Alert:

Sounds like really complicated geek stuff? How about trading on Autopilot with Bitcoin robot? By the end of our ebook, you will learn how you can profit with Bitcoin on Autopilot without need for any manual math crunching!

Trend signals: patterns and crossovers

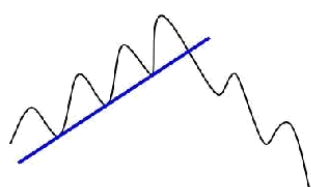
Well, what can you learn from the moving averages? First, we can find the trend: if our EMA or SMA goes down, the long-term trend is falling, if it goes up, we have a long-term uptrend.

How can we determine when the uptrend changes into a downtrend? Our averages can help us here as well using a technique called “**double crossover**”. If we plot, for instance

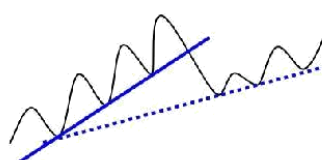
EMA10 and EMA50, the point where EMA10 crosses above EMA50 indicates a crossover to rising trend and is called “**golden cross**”. If EMA10 crosses below EMA50, this is a “**dead cross**” signaling the beginning of a bearish market. Another type of signal can be created when the actual price crosses the average, “**price crossover**”.

The crossover techniques are very useful when a long term trend exists. If the price is volatile, it might create many false alarms.

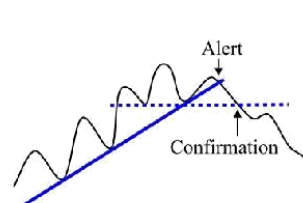
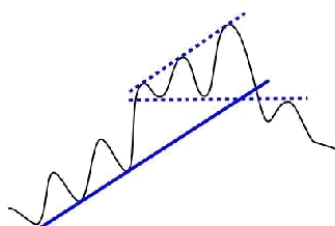
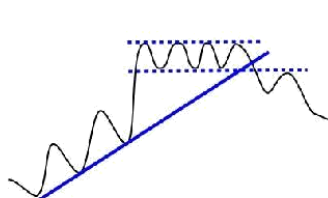
Useful indicators can be obtained by drawing **support** and **resistance** lines. These lines are defined by traders’ psychology (greed, first of all) and represent the issue of supply and demand. Support is the level at which buyers take control over the market and prevent prices from falling further down. On contrary, at the resistance level, sellers take control over the prices and prevent them from rising higher. Breaking through support or resistance lines often signals the beginning of a different trend. The drawing below illustrates commonly occurring patterns and shows predicting power of support and resistance lines.



Support line penetration and change to bear market



Support line penetration and formation of a new support line



Patterns indicating market reversal

Bollinger Bands: trend and volatility

Another very useful technical analysis tool was suggested by John Bollinger and is called Bollinger bands. Bollinger bands define a channel with the width proportional to the current market volatility around the moving average trend line. Typically we take 20-days simple moving average and step up and down two standard deviations from it. So, we calculate

$$p_i^{SMA20} = \frac{1}{20} (p_i + p_{i-1} + \dots + p_{i-19}) \quad \text{and}$$

$$STD_i = \frac{1}{20} \left[(p_i - p_{i-1})^2 + (p_{i-1} - p_{i-2})^2 + \dots + (p_{i-19} - p_{i-20})^2 \right]$$

and draw three lines on the chart (see figure). Here is a short list of predictions you can draw from the Bollinger bands:

- If band tightens as the volatility shrinks, you can expect a sharp price move to follow;
- A price move that starts at one band usually carries to the other one;
- When price moves outside of the band (provided the band itself is not falling or rising steeply), the current trend will usually continue.

Momentum indicators: a timely warning

So far, we've only talked about techniques based on trends. They are extremely useful, but most of the time, they identify a change in trend after it has already happen. An early warning about exhaustion of the current trend can be obtained with rate-of-change or momentum indicators. The most commonly used one is the Relative Strength Indicator (RSI). To calculate it, you need to find an **AverageGain** and **Average Loss** during a certain period, typically 9 or 14days, take a ratio of them

$$RS = \text{Average Gain} \div \text{Average Loss}$$

and then calculate

$$RSI = 100 - 100 \div (1 + RS)$$

So, if losses and gains are equal, the RSI is equal to 50, if no gains have occurred during the period, RSI is 0, or if the gains are overwhelming it tends to 100. The rule of thumb is that if RSI reaches 70, the RSI is **overbought** and the trend will shortly change downwards. This is a high probability sell signal. On contrary, RSI level of 30 indicates an **oversold** condition and the trend is expected to change upwards shortly. This could be a good opportunity to buy. However, I advise you not to take decisions based solely based on a single indicator, in particular, RSI. Always combine it with Trend analysis.

Spoiler Alert:

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Elliott Wave Principle

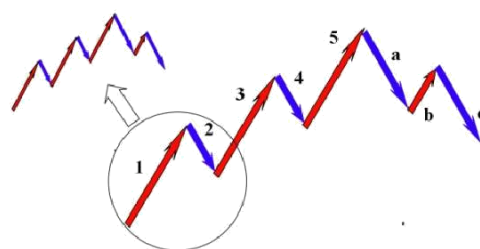
Now we will learn about some simple methods to predict future trend development (of course, with a certain degree of probability). How can it be done? Of course, we cannot see into the future, we cannot predict hurricanes, server crashes, law suits or hacker attacks. However, the point is that the evolution of prices depends largely on traders' psychology; and the behavior of a large number of people is statistically predictable.

A very common method is the Elliott Wave Principle. Back in 1939, observing natural patterns, R.N. Elliott noticed that all cyclical movements occur in some sort of waves, related to Fibonacci numbers. The most common

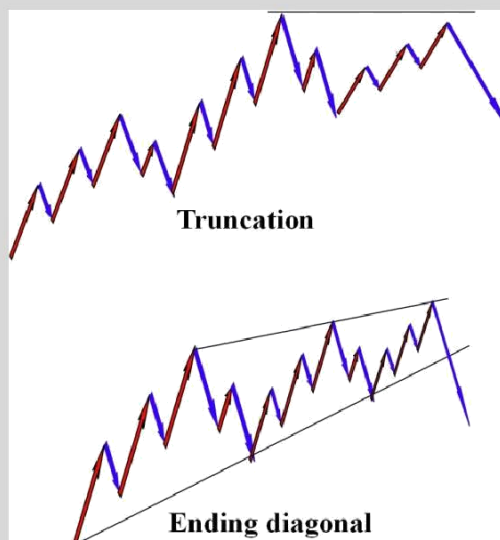
pattern is the so-called "Five-wave pattern". Three out of five waves (marked 1, 3, 5) follow the trend, while two others (2 and 4) are countertrend interruptions. These interruptions are apparently a requisite for the trend to occur.

Typically, this five-wave rise is followed by a three-wave downward correction forming an eight-wave cycle.

Interestingly this pattern has a so-called "fractal" structure, in other words, it repeats itself on different scales. If we, for instance, zoom in on waves 1 and 2, we can expect to see a complete eight-wave cycle again. So, the cycles occur on a very different time scale and, by analyzing American stock exchange Elliott could discern nine degrees of waves,



Elliott Five-Wave pattern



from a long-term Grand Cycle down to very short-term Subminuette. The figure shows schematically Elliott Wave for a bullish market, but a similar pattern (now, with a main trend downwards) will occur for a bearish market as well.

By following Elliott Wave, you can predict the next move of the market and, for instance, foresee the trend change. Two typical patterns indicating weakness of a bullish market are shown below: truncated fifth wave and diagonal triangles.

Elliott Waves Principle and Golden Ratio

Another dimension of the Elliott Waves Principle is the Fibonacci sequence. This sequence, in which the sum of two adjacent numbers produces the next element of the sequence, has been known to mathematicians for hundreds of years: 1, 1, 2, 3, 5, 8, 13, 21,... and so on to infinity. This sequence is ubiquitous in Nature and present on all scales from our DNA to the galaxies. One of its features is that the ratio of two subsequent terms approaches 1.618, the famous Golden Ratio. Coming back to the Elliott Waves, so-called **Fibonacci retracements** help to identify areas of support and resistance. For example, a sharp correction commonly tends to retrace around 0.618 of the preceding wave, while sideways correction often retraces 0.382 of the previous impulse wave. The Golden Ratio is also present as a ratio of the impulse waves, which are often related as equality, 1.618, or 2.618 ratios.

Elliott Waves Principle offers you a formidable arsenal for forecasting market movement, but you should always remember that we always talk about probabilities. If the market moves beyond the predicted pattern, meaning that your conclusion is wrong, then the funds at risk should be reclaimed immediately.

The science and practice of Elliott Waves is very rich and many observations have been made since the time they were first

discovered. If you are interested, you can find a wealth of resources on internet. The web site of [Elliott Wave International](#) is a good starting point.

Your own trading system?

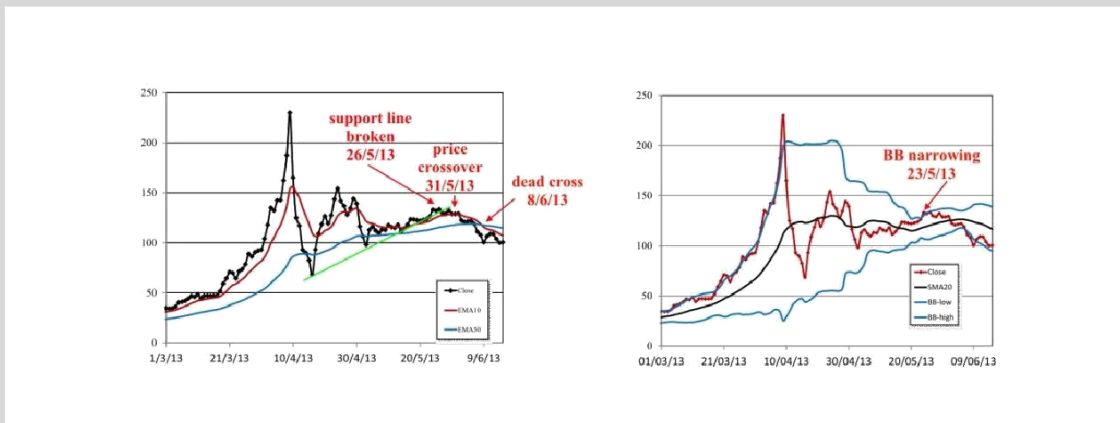
Based on technical analysis knowledge, you can develop your **trading system**. The first thing you need to set is the timeframe of your investment. If you can invest a large chunk of money, your preference will be a long-term investment. Long-term technical analysis produces more clear results since you can filter out all these day-to-day price fluctuation and look at long-term trends. If you cannot afford this, it is better to try medium and short range investments. This is a complicated task and I would advise you to start with a long-term technical analysis first, prove your ideas and predictions using historical data, and only then focus on a shorter timeframes. The next task of your trading system is to define the **entry point**. The first thing here is to determine the long-term trend. It is not advisable to open any position if the trend is downwards. The last and the most important task of your trading system is to define the **exit point**. You need to decide for yourself when you want to secure your profit (**Take Profit** level) and also place **StopLoss** level in the case when market starts to move in the opposite direction.

Spoiler Alert:

You can develop your own system OR ... why not let an automated Robot trade for you? How about trading on Autopilot with a Bitcoin robot? By the end of our ebook, you will learn how you can profit with Bitcoin on Autopilot without need to develop a system yourself!

Let us try analyzing a real Bitcoin chart!

Now we know enough to apply some basic technical analysis and try to make a forecast. You already know enough to make a qualified decision. I use the data downloaded from BTC-e. You can not only plot the Bitcoin price and volume charts on this web site but also get the entire set of data by clicking “Load raw data”. Following the recipes in the previous sections, we did some calculations in MS Excel and plotted the last few months of data together with EMA10, EMA50 and Bollinger Bands.



According to the Bollinger band behavior, we observe tightening of the band which could indicate a forthcoming change in trend. Indeed, the support line was broken on May 26th followed by a downwards price crossover on May 31st and a “dead cross” on Jun 6th. We could therefore conclude that the current Bitcoin trend is downwards. The market can possibly find support at around \$100, but the data is inconclusive so far. The advice to a short-term investor would be to wait and not to enter the market at this moment in time.

Technical analysis tools and resources

Your primary resource in this respect is BTC-e, you can select the required set of Bitcoin data and plot major technical indicators, as shown in the figure below. By pressing load raw data, you can obtain a complete set of Bitcoin data, day-by-day, including open, close, high, and low prices, as well as volume in BTC and USD.



Bitcoin charts at BTC-e

There is also a large number of Bitcoin blogs of which I would particularly mention Bitcoin charts and analysis on <http://afbitcoins.wordpress.com/> and forum at <http://bitcointalk.org>

I can't help but mention Metatrader4 here. It is currently the most popular trading tool on the Forex market. The program is actually a terminal that connects you to the up-to-date information on the prices. A wealth of technical tools is included into this incredibly powerful program as well as a built-in macro language and the ability of automated trading. You can also see the historic data, plot different trend lines and indicators, place orders and set automatic stop-loss and take-profit limits and many other things, all within a small program. Although it is not yet possible to trade Bitcoin on

Forex (we hope this possibility will be provided shortly), established currency pairs can be traded with bitcoins on [Bit4X](#). This site also offers a demo-account using Metatrader 4 together with a British trading firm, VenetFX. To start trading, you need to register by sending an email to the web-site support team and deposit 10 BTC on your account.

Here is a screen shot of Metatrader 4 window:



The panels showing real-time data on currency pairs can be conveniently resized, type of graph, timing and other parameters can be adjusted individually for each graph (in the example, I re-scaled GBP/USD graph to show daily information starting from Dec. 2011 and added two trend lines EMA 10 (red) and EMA50 (blue)). To help you with predicting the trends, Fibonacci levels as well as a large number of other technical indicators can be added to the graphs.

Spoiler Alert:

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Automated Bitcoin trading?

How Can You Profit with Bitcoin?

Just a few years ago, the only way to profit was through so-called “Mining”.

This is the “Hard Way”, for which you receive coins by helping the system to verify secure transactions. This process requires a lot of computational power, typically multi-core CPU system or specialized Bitcoin miners.

The algorithm is designed in such a way that mining becomes more and more complex and less and less profitable with time.

Mining days are over!

The time has changed and we are the ONLY solution available to increase your Bitcoins!

THE Inflation FREE currency!



Bitcoins are limited in amount... you can NOT produce them out of thin air nor reprint them, thereby making them safe from inflation!

100% Secure! NON-CLOSABLE!

Bitcoins are un-hackable lines of code that you can even stash on your cellphone in an E-wallet or download to a USB stick and keep them SAFE! Pay using them, store them, collect 'em... the option is yours!

To make it even better, Bitcoin is decentralized. No one owns it... it's like the Internet... you can shut down a machine but you can't kill it. It's a living and expanding entity on its own.

So, no matter how hard a government might try to put it down... they cannot succeed!

The bottom line to EARN them, however, is that...



Forex is DEAD! Automated Bitcoin Trading is the ANSWER!

Imagine if you had a fully automated Bitcoin trading robot, working for you on autopilot around the clock?

'Trading Around The Clock???' Even on weekends??

Forget Forex limitations such as not trading on weekends, Bank Holidays and other big bank B.S.

Bitcoin is traded around the clock, 24/7, 365 days a year.

There are no banks controlling it, meaning we don't have any bank limitations on the trading time, thereby giving you a unique opportunity to profit around the clock, two extra days a week!

The robot does not sleep, does not take holidays or stop on weekends. It is an everlasting profit machine at your fingertips!

TRADING ACCOUNT: \$2,714 and Counting!



It can be yours right now and it's a piece of cake to install!
SETUP YOUR ROBOT NOW!

Why Does the Bitcoin Robot Work?



Bitcoin is a young growing market. Relatively small amount of Bitcoin exchange marketplaces ensure huge price fluctuations during the trading day, which our Robot takes advantage of.



The higher the market volatility, the higher the profit. During volatile months, the profit can reach up to 100% per month! During regular months, it gives a stable "conservative" growth of 10-20% per month.



No leverage trading: You are trading only on your own money without taking Huge leverage from the brokers like in Forex, meaning the risk to lose all your money is small to non-existent.



The Robot is analyzing the prices in all Bitcoin exchange marketplaces in real time, exploiting the gaps and using hedging techniques to take advantage of almost bulletproof profit opportunities.

How Does It Work?



Download

Simply open an account with one of the trusted Bitcoin trading exchange marketplaces
Deposit an initial amount in Bitcoin or USD. You can start as low as \$100 !



Install

Activate our Robot and let it trade for you!
Choose between a simple Windows version or a fully pre-installed VPS version: No installation, no hassles. The Robot comes fully pre-installed in your web browser-based members area! Nothing to setup or configure. Human error-free & 100% autopilot.



Profit

Withdraw profits.



No backtests, NO what ifs!

This is not a forex Robot or MT4 based indicator B.S. It's a custom programmed bot that trades real money... no monopoly cash playtime but real results!

What's Behind the Bitcoin Robot Trading Engine?



When it comes down to technology and IT developments, hats off, nothing comes close to Russian brains!



We united our efforts with a team of the brightest Bitcoin traders and programmers from Russia.



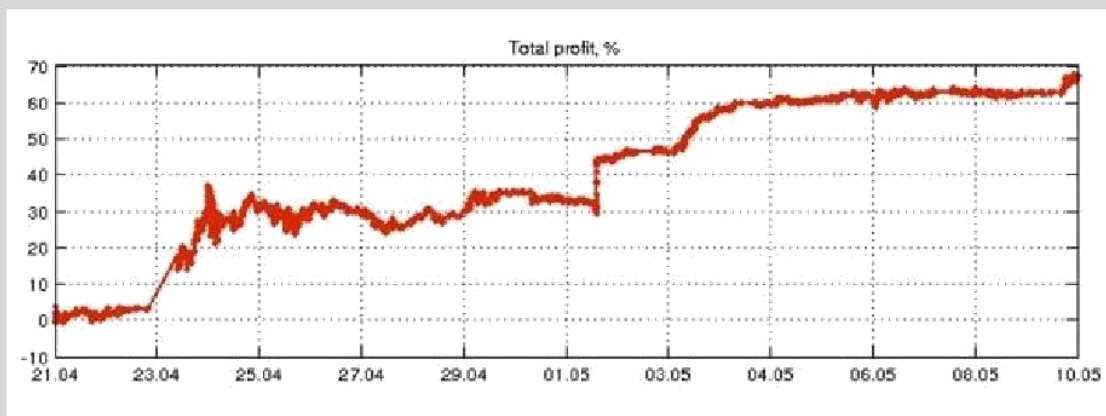
Don't get me wrong though. It's hard to be a pioneer in the field. It's even harder to develop the first fully automated system in the new market.

Yes, it was not easy. Over 2 years in development, plenty of trial and error.



We really wanted to perfect it. Over 127,199 lines of code. Sleepless nights and betatests in private groups.

**The bottom line:
we did it! It works and you can see
the proof. Today, you can be a part
of our success story!**



FAQ:

1. If the Robot wins money, who loses it? Does the Bitcoin exchange lose money if I win and eventually ban my trading?

Good question. No, the Bitcoin exchange market does not lose any money due to your profitable trading. In fact, it is gaining a lot of money because they charge 0.4% commission on every trade. For example, yesterday their exchange volume was \$512,213 , which means +10 BTC commission made. The losers are other human traders that do not use automated trading approaches and trade manually or just pay too much when buying Bitcoin!

It's harsh but money is not produced from thin air. It comes from losers that don't have advanced tools like our Bitcoin Robot and keep trying their luck with old outdated manual systems.

2. How much money do I need to start? Thousands of dollars??

No, you can start as low as \$100. This is the main advantage of Bitcoin trading, the entry limit is very low.

3. Is it risky? Can I lose the deposit?

You are trading only on your own money without taking huge leverage from the brokers like in Forex, meaning the risk of losing all your money is small to non-existent.

4. Will it provide 100% winning trades?

100% winning systems are impossible, so don't be fooled by so called "Get Rich scams" promising that.

Obviously, our Robot is not a crystal ball and you will have some losing as well as winning trades. The goal is to make a solid net profit monthly.

4. Do I have to keep my computer ON all the time or buy a VPS server like with forex?

You can choose between two options. The most affordable Silver plan comes with Windows based software which trades from your own computer. Similar to you trading Forex on Metatrader4 on your computer. So it must be on at all times during trading.

If you choose the Gold Plan, the Robot comes fully preinstalled in your web browser based members area! Nothing to setup or configure. It's completely human error-free & 100% autopilot.

5. What if my internet connection gets interrupted during trading?

No problem. The Robot will resume trading from the point it left and catch up on the trades.

However, if you experience constant internet connection issues in your area, it's safer and more profitable to use the Gold plan where the Robot is pre-installed on our trading VPS for you!

5. What if many people trade it, will it become less effective?

No. The beauty of Bitcoin trading Robot algorithm is that it uses a special trade stealth technology which allows to separate different traders and avoid all of them taking the same trade at the same time overloading the market liquidity.

This way Robot stays effective even if many people trade it independently.

6. Is it better than Forex?

Yes. Less risky. More profit. No broker spreads or ridiculous commissions. No bank regulations and fees.

You get all the profit. You trade 24/7 not 24/5. No bank holidays. You get profit around the clock. No need to install Metatraders and other complicated software. No need to sit and watch charts. No need to buy expensive VPS servers or keep your computer online.

7. Do you trade it yourself? If it is so good, why would you sell it?

Yes, we do trade it and you saw the live trading proof. Why do we sell it? We could probably write something hypocritical here, that we want to make everyone rich and happy, but I will be honest with you. We are just greedy. If you have an opportunity to make more money, will you pass it by? The amount of traders using the Robot does not affect its effectiveness, so we thought, why not release it to a limited amount of pioneers who, like us, can take advantage of a growing opportunity.

It's like when people invented the plane; nobody drives such long distances in a car anymore! Same here. Why bother with manual trading, spending the whole of your life glued to the PC when you can use this new technology of automated Bitcoin trading!

The world has changed. And so have the tools!

Here is what I want you to do next:

Get in on the Ground Floor of this Breakthrough Technology!

The future is one step away from you.

[Click Here](#) and let's get started!

Silver Plan	Downloadable Version for Windows Vista/7/8 Easy \$149 One-Time License Fee. No Monthly Fees. Choose this option if you prefer to trade the robot from your own computer.	Click Here
Gold Plan	Fully Pre-Installed Version 1 Year Service One-Time payment of \$248 for a one year membership (no subscription) no additional monthly fees + expedited tickets with support 1 year of premium trading hosting, VPS included! Choose this option if you don't want to install anything and keep your computer ON. The robot will come preinstalled on our premium trading VPS for you and you will access it simply via your browser through your private members area! Nothing to download or setup	Click Here
Platinum Plan	Fully Pre-installed version, Unlimited service Lifetime membership for \$498 (unlimited) + 3 years of free trading VPS cloud hosting included + expedited ticket support + personal one-on-one support. Just like in the Gold Plan, the robot will be fully preinstalled on our premium VPS and you will access it simply via Browser in your private members area! Nothing to download or setup	Click Here

It's time for you to take action and secure your spot.

Remember, the early bird catches the worm.

You already missed the early founding Bitcoin days with mining opportunities. It's still not too late to jump in on the train that is about to leave. Get the Trading System Poised To Create a New Generation of future, successful traders. Pioneer this kind of currency trading with an unlimited potential of future growth.

Be a Pioneer!

To be a successful money maker, you need to stray off the beaten paths... and THIS is your chance now! Who knows what will happen in a year from now? What if everyone owns Bitcoins by then and the market volatility sinks? Thousands of people are buying Bitcoin everyday... you can get ahead of them and profit from the misinformation and from people that pay too much to purchase Bitcoins... but you need to act right here, right now!

By the time the gold rush is over, you could have earned tens of thousands of dollars with a small one-time investment !

The Bitcoin Robot is backed by our 60 day money back guarantee... either set it up and profit OR get your money back. You can try it out for a full 60 days, all the risk is on us.

What People make!



Make sure you secure your financial freedom and don't miss it. You are in the right spot at the right time. It's up to you now to take action and secure your own passive money-earning Bitcoin robot... and start withdrawing money as early as TOMORROW!

Sincerely,

the Bitcoin Automated

Trading Development Team



Степан



Антон



Артём



Артём



Анатолий



Дмитрий



Егор

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