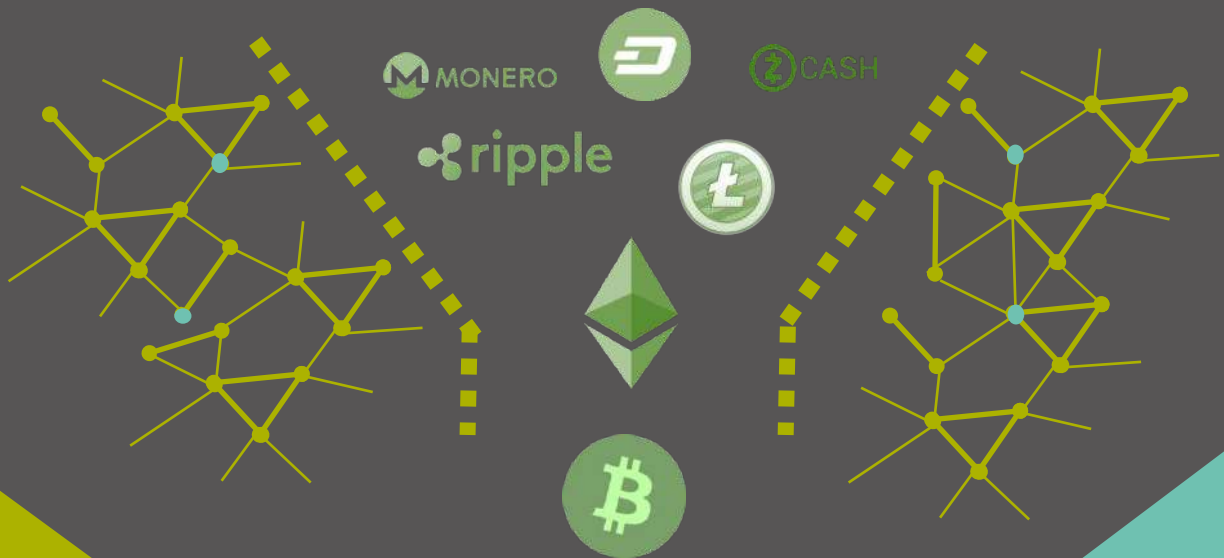


# CRASH COURSE ON CRYPTOCURRENCIES

FOR NEW INVESTORS, September 2017



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## SEQUANT CAPITAL

Making The Right Investments

The value of investments and any income from them can fall as well as rise and you may lose more than you invested. An investment's past performance is not a reliable indicator of future performance. Tax allowances depend on your personal circumstances and the benefits of tax-efficient accounts could change in the future. Read our full Risk Warning for further information.

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## WHAT IS A CRYPTOCURRENCY?

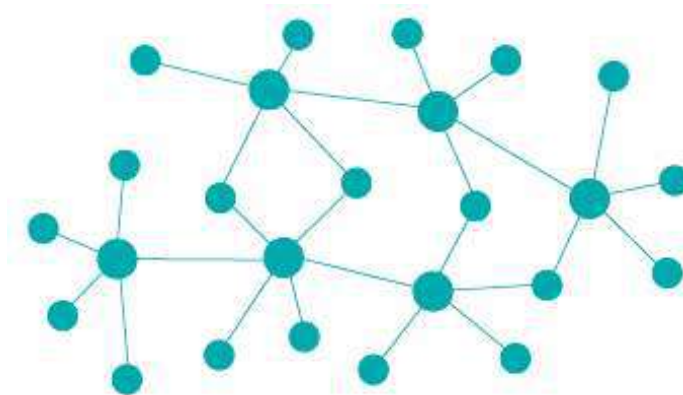
Think of a cryptocurrency as a digital version of fiat currency such as the USD or GBP. Cryptography is used to secure the transaction as well as control the creation of new coins. In layman's terms, it is a digital currency that is mined instead of printed.

## HOW DOES ONE ACQUIRE A CRYPTOCURRENCY?

A cryptocurrency such as Bitcoin is acquired by purchasing the coin via a wallet in typical fiat currency (this can be done via a credit card or wire transfer) and the wallet then allows you to buy various different cryptocurrencies using your fiat currency.

## WHAT IS A BLOCKCHAIN?

To begin with, a block is where the data for the transactions are stored, the linked *decentralised* series of the blocks is what is named a blockchain. Blockchain is the structure of relational data storage that provides the ledger and backbone of the coin.





## HOW DOES ONE INVEST IN CRYPTO?

There are numerous ways of investing in cryptocurrencies, these range from simply buying and holding the coins on an exchange. This can be perceived as risky, as Exchanges have been hacked and coins stolen, for example, Mt. Geox: <https://goo.gl/JBhSvL>. Trading on one of the cryptocurrency exchanges (still risky as the funds are held on the exchanges' hot wallet, and many of these exchanges are unregulated) storing on a computer wallet and the risk of being hacked, paper storage (which can be tedious and troublesome) or a hardware wallet which is a combination of software and hardware (and most popular at present) are some of the options to trade these cryptocurrencies.

## ENTERING THE MARKET

The first thing you'll need to do is decide which cryptocurrency you wish to purchase. There are hundreds to choose from, and each is slightly different from the other.

Rather than researching the multitude of cryptocurrencies currently in existence and diving headlong, especially for first-time investors, it may be a better idea to spend some time following the trends and getting to know the basic and most prevalent currencies, and then begin to branch out once the basics of a few tokens are fully understood.

The following is a list of the most popular by trading volume as of 4th September 2017 (coinmarketcap.com):

# Volume Rankings

#	Name	Market Cap	Price	Circulating Supply	Volume (24h) 6.11.17
1	<a href="#">Bitcoin</a>	£55,463,339,686	<a href="#">£3,339.70</a>	<a href="#">16,607,287 BTC</a>	<a href="#">£848,780,999</a>
2	<a href="#">Ethereum</a>	£21,973,469,890	<a href="#">£231.34</a>	<a href="#">94,981,923 ETH</a>	<a href="#">£203,855,475</a>
3	<a href="#">Ripple</a>	£7,028,975,094	<a href="#">£0.18</a>	<a href="#">38,343,841.883 XRP *</a>	<a href="#">£155,942,431</a>
4	<a href="#">Bitcoin Cash</a>	£4,696,974,005	<a href="#">£281.69</a>	<a href="#">16,674,263 BCH</a>	<a href="#">£155,741,122</a>
5	<a href="#">Litecoin</a>	£2,129,815,914	<a href="#">£39.99</a>	<a href="#">53,257,732 LTC</a>	<a href="#">£47,547,779</a>
6	<a href="#">Dash</a>	£1,796,726,152	<a href="#">£236.25</a>	<a href="#">7,605,334 DASH</a>	<a href="#">£17,394,618</a>
7	<a href="#">NEM</a>	£1,474,416,847	<a href="#">£0.16</a>	<a href="#">8,999,999,999 XEM *</a>	<a href="#">£3,501,335</a>
8	<a href="#">NEO</a>	£1,277,660,764	<a href="#">£25.55</a>	<a href="#">50,000,000 NEO *</a>	<a href="#">£39,604,269</a>
9	<a href="#">IOTA</a>	£1,121,056,229	<a href="#">£0.40</a>	<a href="#">2,779,530,283 MIOTA *</a>	<a href="#">£6,399,173</a>
10	<a href="#">Monero</a>	£1,061,767,254	<a href="#">£69.94</a>	<a href="#">15,182,050 XMR</a>	<a href="#">£20,254,965</a>
11	<a href="#">Ethereum Classic</a>	£891,439,620	<a href="#">£9.27</a>	<a href="#">96,205,969 ETC</a>	<a href="#">£21,955,910</a>
12	<a href="#">BitConnect</a>	£752,482,402	<a href="#">£108.47</a>	<a href="#">6,937,271 BCC</a>	<a href="#">£8,252,746</a>
13	<a href="#">OmiseGO</a>	£650,870,035	<a href="#">£6.62</a>	<a href="#">98,312,024 OMG *</a>	<a href="#">£11,034,941</a>
14	<a href="#">Qtum</a>	£530,762,877	<a href="#">£9.00</a>	<a href="#">59,000,000 QTUM *</a>	<a href="#">£19,951,930</a>
15	<a href="#">Lisk</a>	£461,317,258	<a href="#">£4.08</a>	<a href="#">113,185,940 LSK *</a>	<a href="#">£6,775,636</a>
16	<a href="#">Zcash</a>	£457,715,199	<a href="#">£195.59</a>	<a href="#">2,340,219 ZEC</a>	<a href="#">£49,036,240</a>



# Bitcoin (BTC)

## Overview

Bitcoin (BTC) is arguably the most well-known cryptocurrency starting out in 2008 and with an admittedly onward growth, the value and popularity of this coin has reached exponential heights. With a market capitalization of \$64.36 billion (as of 15/08/2017) it is currently considered to be the most valuable coin. Daily volume for the past 24 hours was \$1.1 Billion (blockchain.info) and 30% of transactions currently are traded in USD. Daily volume for the past 24 hours in USD was \$397,507,250 (WorldCoinIndex (WCI) figures as of 17/08/2017).

■■■■■■■■■■  
**YEAR TO DATE**

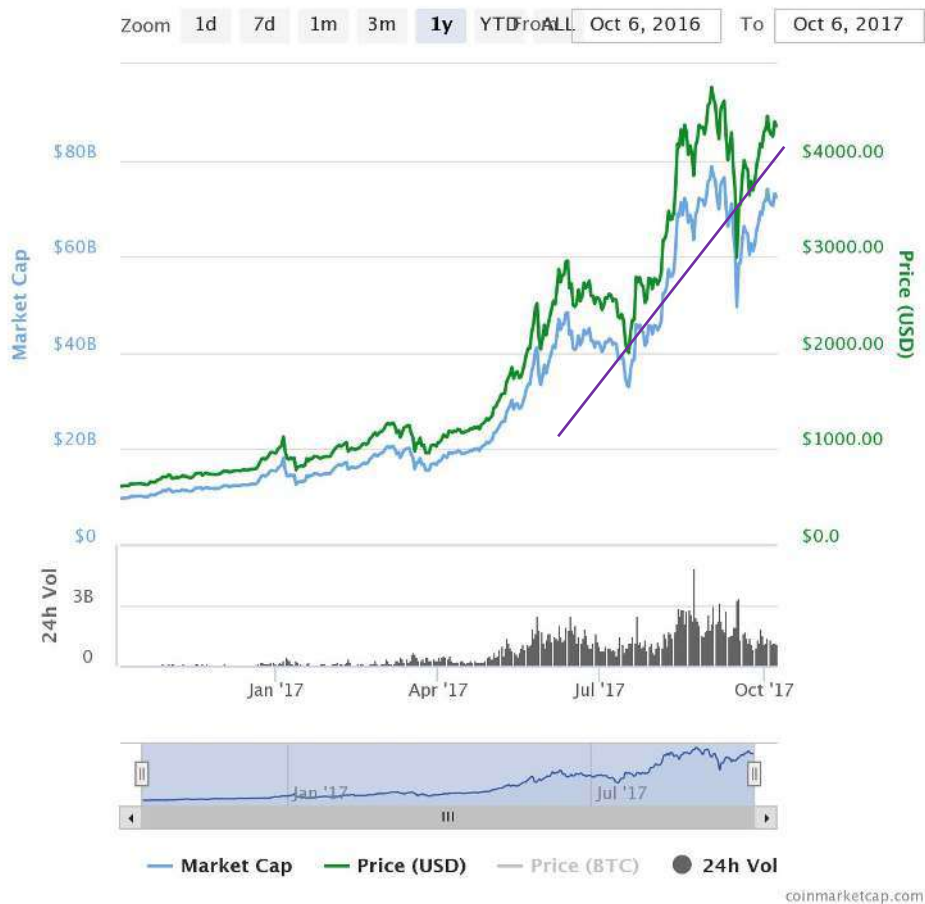
**+456%**

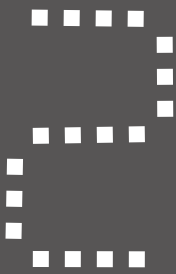
**STRONG  
VOLUME  
GROWTH**

## Price Action

Bitcoin recently came within a whisker of the \$5,000 level before a corrective move lower. Clearly the move higher has been explosive and therefore wild swing in both directions should be expected. The trend overall in the most well-known cryptocurrency is in good shape and pullbacks continue to attract buying interest, hence we do not believe that there is any reason in the short term for this sequence to end.

## Bitcoin Charts





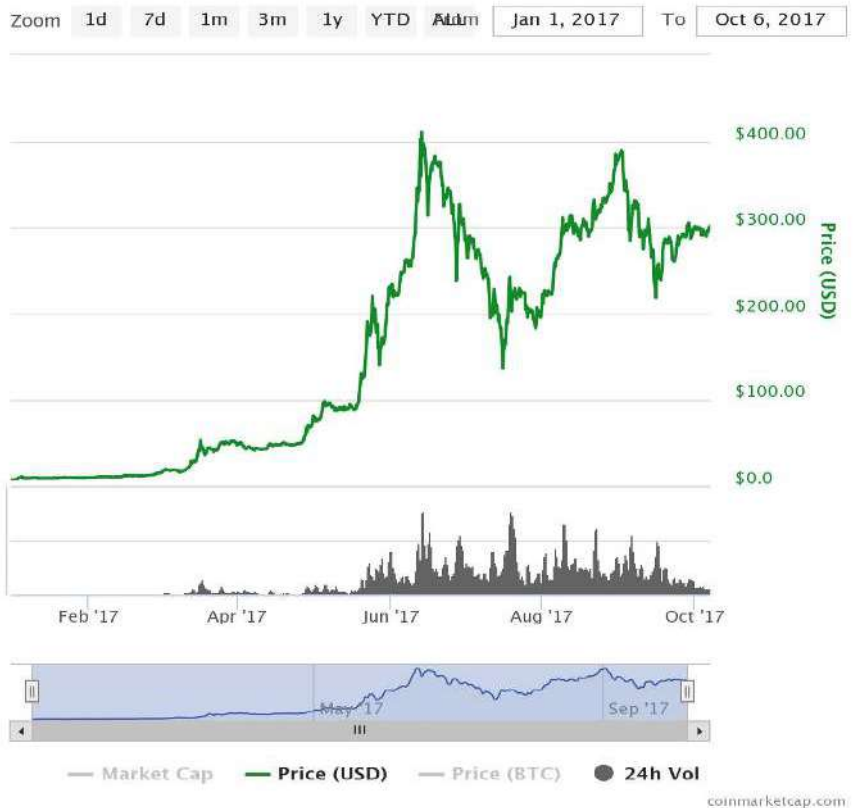
# ETHEREUM (ETH)

CRYPTOCURRENCY

## Overview

Ethereum (ETH) differs from Bitcoin since instead of just being a method of payment it can also be used to run applications. It is a decentralized software platform that enables smart contracts. A smart contract represents an agreement that is able to enforce and execute itself and an individual can specify conditions under which a person will be paid, and once those conditions are met the money will automatically transfer to the person without any outside interference. Daily volume for the past 24 hours was \$650,459,985 (IndexCoin(IDC)).

## Ethereum Charts



## Price Action

Ethereum has experienced some explosive growth since the beginning of 2017 but continues to be repelled at the \$400 level. Its latest attempt has seen sellers hit the price aggressively as the price falls to below \$300 in a relatively short space of time. A correction appears underway, and we witnessed stabilization and for buying interest to resume.

**BUY ON  
SETBACKS**

**RESISTANCE AT  
\$400**



# Bitcoin Cash (BCH)

**FORKED**  
FROM BTC

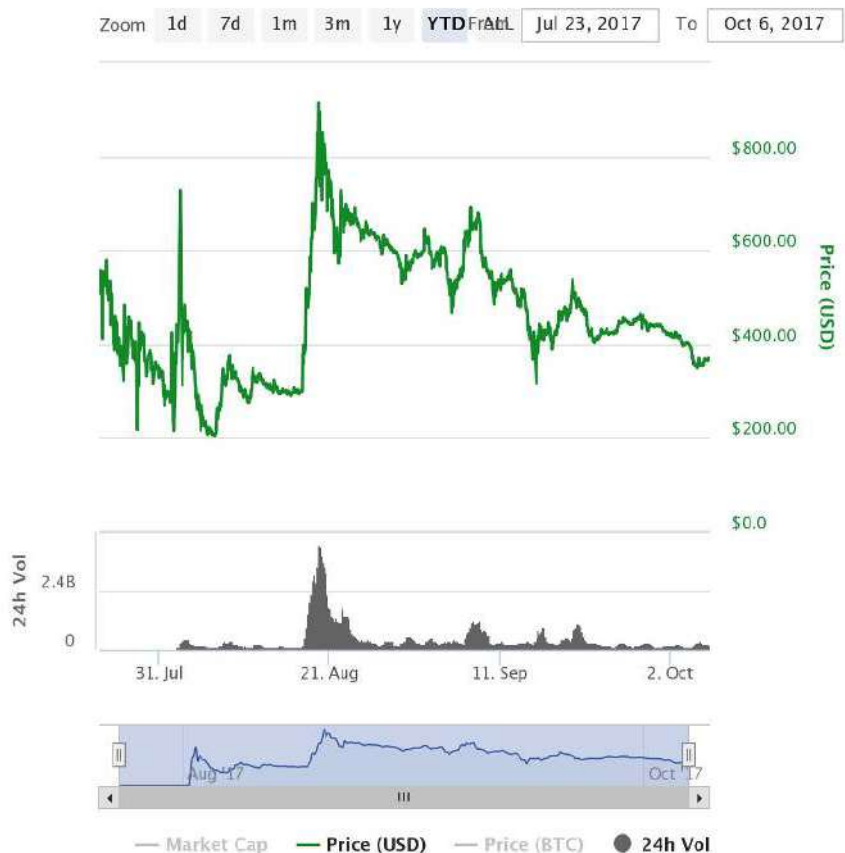
**OVERVIEW** Bitcoin Cash (BCH) was established on the 1st of August 2017 in an attempt to divide the bitcoin network. It is similar to bitcoin but differs in one notable way; bitcoins block size limit remains at one megabyte (1MB), (roughly 250,000 transactions per day). Bitcoin Cash has increased the block size limit to 8MB (roughly 2 million transactions processed per day). There is also a discount in value with one Bitcoin Cash unit (\$294.12) trading at a discount of 12 times to one Bitcoin (\$3,911.00). The daily volume for 17/08/2017 was \$45,747.393 (WorldCoinIndex).

**PRICE ACTION** Bitcoin Cash is the newest player on the cryptocurrency scene and already has been subject to some wild trading activity. Since its inception at the beginning of August the currency has seen an \$800 range. We expect to see more wild moves as the new currency begins to settle in and attract new interest.

**NO VOLUME  
TRACTION**

**NEWEST PLAYER  
IN CRYPTO MARKET**

## Bitcoin Cash Charts





# LIGHTCOIN (LTC)

## OVERVIEW

**Litecoin (LTC)** launched in 2011 by Charlie Lee, an MIT graduate and former Google engineer, it is an alternative cryptocurrency based on the model of Bitcoin. Litecoin is based on an open source global payment network that is not controlled by any Central Authority. Litecoin differs from Bitcoin in aspects like faster block generation rate and use of script as a proof of work scheme. Daily volume for the past 24 hours was \$95,370,000.

**LOCAL RESISTANCE**

**\$53**

## Litecoin Charts

Zoom 1d 7d 1m 3m 1y **YTD** **ALL** Jan 1, 2017 To Oct 6, 2017



## PRICE ACTION

Litecoin is experiencing new highs following an explosive move higher having broken the resistance around \$53. The currency was valued at around \$4 per coin in early April and has topped out at over \$90 in recent weeks. The overall trend looks good and the preferred play is to buy on weakness.

**BUY UPON BREAKOUT**  
**"53 USD and UP**



# RIPPLE (XRP)

▶ OLDEST CRYPTO

**OVERVIEW** Ripple (XRP) is actually older than Bitcoin itself. The original implementation was created by Ryan Fugger in 2004, the intent being to create a monetary system that was decentralized and could effectively empower individuals and communities to create their own money. All money in Ripple is explicitly represented as debt, with transactions simply consisting of balances being shifted on a series of imaginary credit lines from the payer to the receiver. Ripple has signed up a number of leading banks such as Bank of America, RBC Royal Bank, Standard Chartered and UBS. It offers a blockchain-like rail for faster settlement of international payments, and has nothing to do with Bitcoin. Daily volume for the past 24 hours was \$50,015,000.

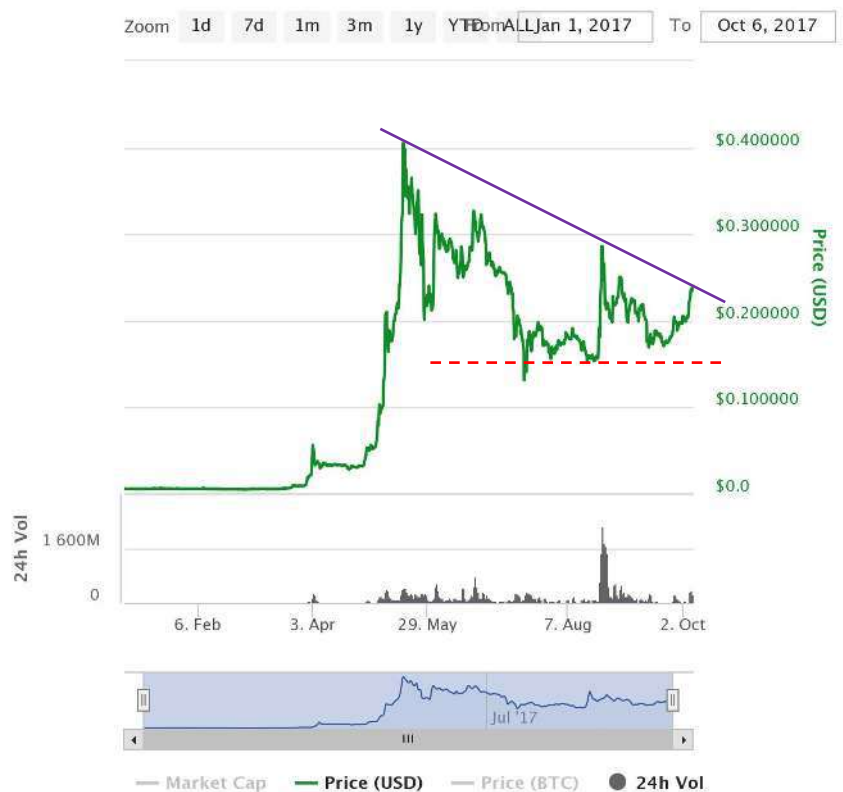
**SUPPORT**  
AT \$0,15

**DOWNWARD**  
LONG TERM TREND

**BREAKOUT**  
AT \$0,24

**PRICE ACTION** Ripple is the only cryptocurrency we have mentioned that has a sequence of lower highs. The pair is in consolidation mode and appears to be forming a triangle pattern on the chart. Major support at \$0.144 is the level to watch. If this fails to hold then further downside could be seen. Alternatively, above \$0.30 a move to the previous highs would be likely.

## Ripple Charts





# DASH (DASH)

CRYPTOCURRENCY

## Overview

Dash has been established in 2014 and has experienced strong growth in adoption and trading volumes. This altcoin has a unique incentivization mechanism for so-called masternodes or investors, who can vote on improvements, budgets for promotions, support the infrastructure and unlike miners can only use their asset for anything else other than improving the altcoin wellbeing.

Dash has been growing strongly its trading volume at a very steady pace. It is currently Rated #6 in terms of market capitalization.

## Dash Charts

Zoom 1d 7d 1m 3m 1y YTD From ALL Jan 1, 2017 To Oct 6, 2017



## Price Action

Dash has experienced some strong growth since the beginning of 2017 but continues to be repelled at the \$400 level very similarly to Ethereum. Its latest attempt has seen sellers hit the price aggressively as the price falls to below \$300 in a relatively short space of time. A correction appears underway, and we witnessed stabilization and for buying interest to resume.

# STRONG UPTREND

# CONSOLIDATION AT \$200 and \$300

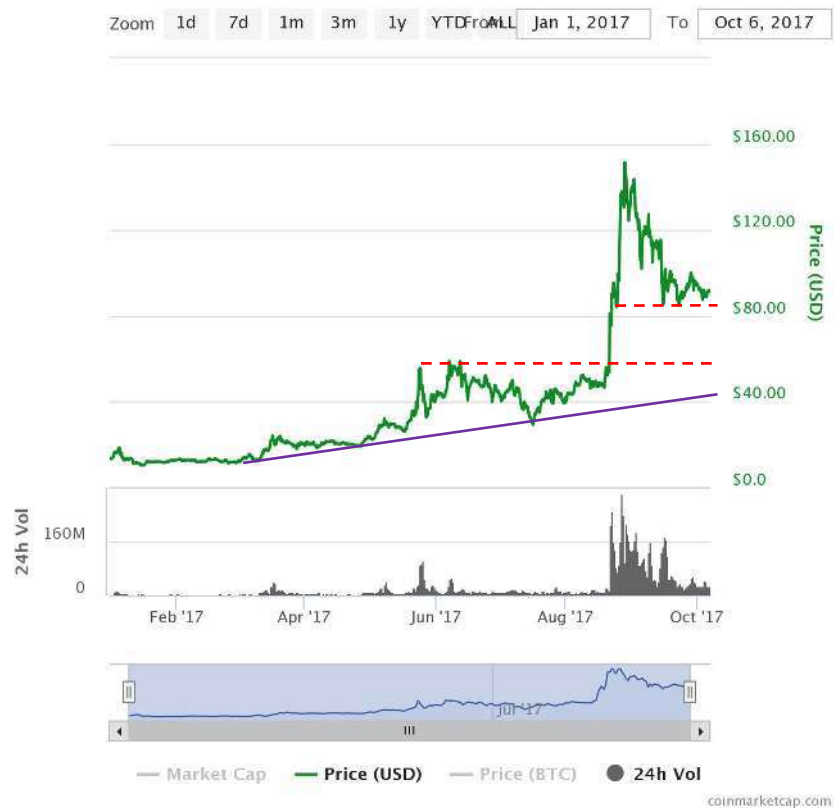
# MONERO (XMR)

**OVERVIEW** Monero (XMR) offers privacy that is not available when using Bitcoin, and it ensures that no one can tell where the funds originally received from. No one can tell when they are spent or whether they have been spent at all. No one can see the amounts of the transactions of other users, or even that other users are using Monero at all. Everyone appears to be repeatedly transacting with almost everyone else almost all of the time. The funds you own will not be associated with your public address, like they would with Bitcoin. This means if you share with someone your public address, they are unable to see how many coins you have. Daily volume for the past 24 hours was \$7,230,000.

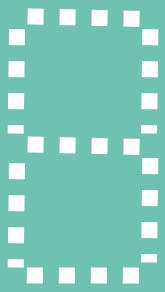


**PRICE ACTION** Monero exploded to the upside in August to a high of \$154.9 before some profit taking set in. The currency has retraced by almost 50% from the lows in July to the August highs and appears to be stabilizing as investors take advantage of the move lower.

## Monero Charts



**CONSOLIDATION  
LEVEL AT \$85**



# Zcash (ZEC)

## Overview

**Zcash(ZEC)** is again an alternative of the bitcoin protocol since it maintains its own blockchain and currency token. Zcash builds on the existing work from the Bitcoin core team to enable privacy preserving transaction data using zero-knowledge proofs and as a result it is more private than Bitcoin. Daily volume for the past 24 hours was \$8,840,000.



**YEAR TO DATE**

**+529%**

**TREND**

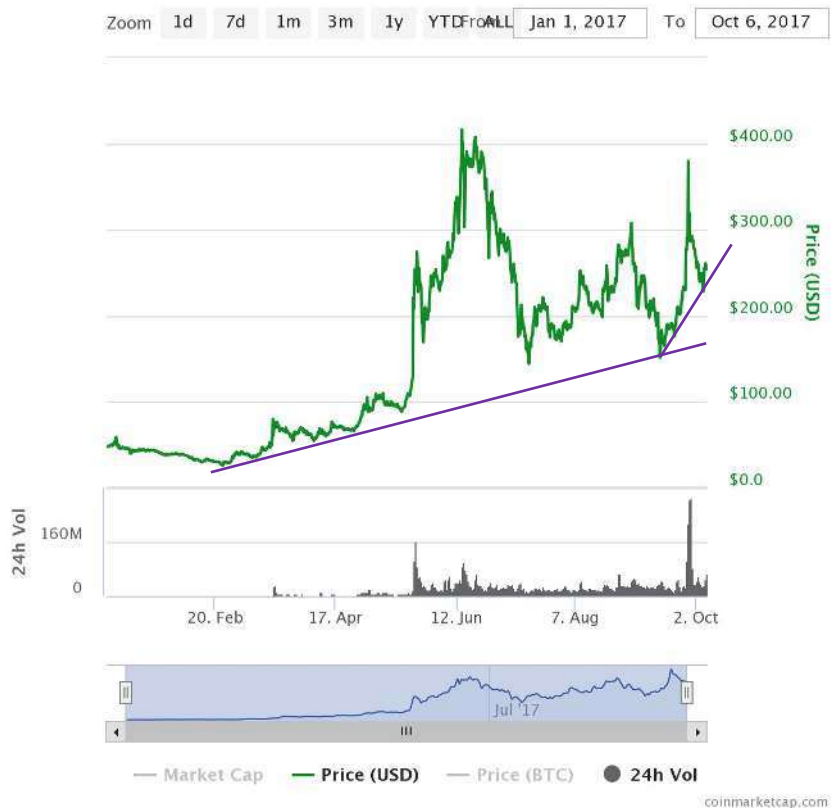
**S/L TERM**

**UPWARD**

## Price Action

Zcash has been unable to recapture the highs set in June 2017 of \$435. The corrective move lower appears to have found a floor for now and willing buyers have been pushing the price higher. The short term trend is positive and dips continue to attract buyers.

## Zcash Charts





# HOW DO I GET STARTED?

We have partnered with [EXANTE](#), where our customers can trade all 7 of the mentioned Cryptocurrencies in the form of funds pegged to respective cryptocurrencies. Trading is available in both Execution only and Advisory formats. Our advisory service offers real time information about the movements of markets, highlighting key trading levels for investors to make the most of their investment. Trading in a fund rather than the actual currency is more secure.

*As always though, your capital is at risk with all investments.*



## WHO ARE EXANTE?



E X A N T E

[EXANTE](#) is a next generation investment company that aims to give its clients access to a broad range of financial instruments and markets. Their aim is to design, produce and support cutting-edge infrastructure for greater financial market accessibility and pricing transparency.



FCA REGULATED IN UK



MEMBER OF MALTA STOCK EXCHANGE



AUDITED BY KPMG



REGULATED BY MFSA UNDER MIFID DIRECTIVE



# PROS & CONS

## ADVANTAGES OF CRYPTOCURRENCIES

**Easy and Fast Payment:** Make payment without using your credit card or sign any document. You just need to know information such as the wallet address of person or organization to whom you want to transfer money and payment transfer processing is very fast and can take place in a matter of seconds.

**Secure:** The use of military grade cryptography ensures that transactions remain secure. No person except the owner of a wallet can transfer or receive payments from a wallet.

**Low or No Fees:** Banks and Payment Processing companies charge fees to conduct payment and fund transfer but with crypto currencies, these fees can be eliminated and are very low.

**No Fraud:** An option where another party can chargeback for example if the payment is made with a Credit Card does not exist. Once the payment is sent, it can never be reversed.

## DISADVANTAGES OF CRYPTOCURRENCIES

**Irreversible Payment:** There's no center point in payment processing so if you transfer money to someone by mistake and want to get a refund for services there's no option to dispute that person and the only way to get your money back is to ask the person to refund payment and if he/she refused then you may as well forget about it.

**Not Widely Accepted:** There are not many companies or websites who accept these cryptocurrencies, and if you have cryptocurrencies and wanted to purchase something then you have to search first which service provider accepts it, even if you don't like their services and have only cryptocurrencies then you have to use it even if you don't like that provider, also bear in mind that in physical stores you have to use real money instead of digital money.

**Losing Your Wallet:** If you stored your digital currencies in your system or mobile and if you lose it then there's no way to get your money back and you are unable to complain to the Police or any other similar Authorities. However, there are still ways to keep safe, like keeping it offline.

EASY PAYMENT

SECURE

LOW FEES

NO FRAUD

IRREVERSIBLE  
PAYMENT

LOW ACCEPTANCE

HIGH RISK OF  
LOSING WALLET



C R Y P T O C U R R E N C Y

# FREQUENTLY ASKED

## BLOCKCHAIN CRYPTOCURRENCY ALTCOIN

### What is a Bitcoin?

Bitcoin is the world's largest cryptocurrency and the father of all the different virtual currencies that you can find today. It was created in 2008 and has since then grown to the size it is today, being something that the mainstream public also knows about. Its popularity comes from the fact that it is not regulated by any sort of bank, but controlled by the people and its sophisticated coding, ensuring that there will only a certain number of Bitcoins in circulation ever and that no more can be created.

### What is an AltCoin?

An AltCoin is basically an Alternative Coin, which are all the other cryptocurrencies than the Bitcoin. This term covers over the more than 70 other cryptocurrencies that currently exist in circulation, all fighting to become the next Bitcoin. Just like with the Bitcoin, AltCoins are not regulated by any bank, but instead by the market.

### Is it Legal?

Owning and gambling with cryptocurrencies is completely legal in most countries, however there are a few countries around the world who has prohibited their citizens to own different coins such as India or China. There are not any major legal issues from owning the cryptocurrencies, as the rest of the world has accepted them and started to work with the virtual currency and not against it.

### Is it safe?

Just like most other things or services online, cryptocurrencies are not 100% safe. However, if you protect yourself by having a complex password, you do not use any public internet access and have a good antivirus program as well as take other safety precautions, then you will not have to worry about it when you trade cryptocurrencies online. The said sites take all the necessary security measures as well, to ensure that hackers etc. will not be able to infiltrate their system and compromise data or steal funds

### Do sites need my personal documents?

Some sites do, some don't. Since cryptocurrencies have been created to promote anonymity, many sites do not require your personal data or personal documents, which simply lets you trade on their site and withdraw without having to provide anything.

### Are Cryptocurrency sites regulated?

Most cryptocurrency sites are not regulated by a regulatory authority. However, this is simply due to the fact that the regulatory authorities do not support sites that only accept the virtual currencies, making it impossible for them to actually become regulated. There are some sites that accept regular funds as well as cryptocurrencies, who all have licenses to operate in the respective markets.

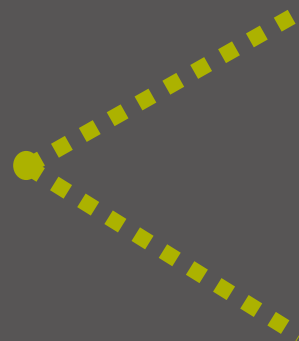
### What makes the EXANTE platform different?

Whereas most exchanges are unregulated and do not hold your funds securely, EXANTE is different. EXANTE offers you the opportunity to invest in one of their 7 funds which include exposure to Bitcoin, Monero, Zcash, Ripple, Ethereum, Bitcoin Cash, DASH and Litecoin. The coins that underline the fund are cold stored whereby they have their code split into 3 separate parts and then stored in different locations. More importantly EXANTE are EEA authorised (FRN 620980) and are independently audited by KPMG (one of the Big F4 largest international accounting and professional services firms). This enables the investor to buy and trade multiple crypto currencies with the same confidence as with traditional Forex and Stocks, as well as not having to deal with wallets and storage. Client's funds are simply deposited to the exchange via wire transfer and can then be used to trade/invest in Exante's funds.



# KEY INFORMATION

TRADING TERMS < FEES < COINS



## The fund's share price depends on the real price of the underlying cryptocurrency.

The income is not fixed and is defined by the market dynamics. The trading terms for all new cryptocurrency funds are similar to those of the EXANTE's Bitcoin Fund.

- ▶ LTC – 1 LTC equivalent
- ▶ XRP – 100 USD
- ▶ ETH – TBA
- ▶ XMR – TBA
- ▶ ZEC – TBA

### AVAILABLE LEVERAGE & SHORT SELLING

Going long on margin will cost 3,5% p.a.  
Going short on margin will cost **50%** p.a.

Clients can buy up to 25 shares of Pacific Liberty BTC Fund via ATP. For any amount exceeding this limit only trading via TradeDesk is allowed (this restriction is not limited with time, meaning it is not a daily/monthly limit).

### FEES

- ▶ Safekeeping fee (annual rate, charged daily): 3.5%
- ▶ Execution Only: 60 bps
- ▶ Advisory Accounts: 100

Trading is available exclusively via EXANTE:

- ▶ Minimum size to trade is 0.001 bitcoin.
- ▶ Minimum commission is USD 20.00 per any trade
- ▶ Minimum consideration is USD 20.00
- ▶ Minimum Account opening size
- ▶ Corporate Account – EUR 50,000
- ▶ Individual Account – EUR 10,000

**OPEN DEMO ACCOUNT**

▶ CRYPTOCURRENCY MADE SIMPLE

# SOURCE REFERENCES

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- ▶ [https://exante.eu/?utm\\_medium=affiliate&utm\\_campaign=41953&utm\\_source=https%3A%2F%2Fexante.eu%2F&utm\\_term=5904](https://exante.eu/?utm_medium=affiliate&utm_campaign=41953&utm_source=https%3A%2F%2Fexante.eu%2F&utm_term=5904)

\*\$ throughout the document refers to U.S. Dollar (USD)

# WWW.SEQUANTCAPITAL.COM



# RISK WARNING

## FOR FINANCIAL PROMOTION

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Making the Right Investments



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