

Crypto for Beginners: A Step-by-Step Guide to Crypto Investing
By Richard Carthon
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***Disclaimer:** None of the information in this document is considered to be financial advice. I will always encourage you to do your own research and/or consult a finance professional prior to making investment decisions.

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Table of Contents

Introduction	1
Why Crypto?	2
Things to Consider Before Investing	2
Richard's Current Strategy	3
How to Purchase Crypto	3
Dollar Cost Averaging: Bitcoin	4
Earn Interest On Your Crypto	5
Crypto Education Video Resources	5
Crypto Tools	6
Final Thoughts	6

Introduction

My name is [Richard Carthon](#) and I am the host of [Crypto Current](#). I have been engaged in the cryptocurrency (crypto) space for over 3 years and have primarily focused on educating myself and others on how to get involved in the crypto and blockchain space. I have interviewed over 100 people in the field and have personally seen my own crypto investment portfolio grow by 300% since my first investment in 2018.

Whether you received this link from me or someone else, my goal is to give you the tools to educate yourself so that you can feel confident in investing in crypto. As mentioned above, I created this document using my own research/knowledge of the field and should not be considered as official financial advice. This document is meant to equip you with the basic knowledge you need to start investing in crypto if and when you are comfortable and ready.

Why Crypto?

I like to call cryptocurrency the “great equalizer” of my generation (I’m a 27 year old millennial). The reason I call it this is because if you have \$25, \$50, \$100 or more and put it in crypto, it could change your life in the next decade or sooner.

If you bought \$25 worth of Bitcoin when it was first available in July 2010 for \$0.08 you would own 312.5 Bitcoin (~\$9 million at the time of this writing). If you bought \$25 worth of Ethereum when it came out in July 2015 at \$1, you would own 25 Ethereum (\$25,000 at the time of this writing).

Simply put, you don’t need a significant amount of money to get involved in this space and have it potentially change your life. There are over [8,000 cryptocurrencies](#) at the time of this writing and there will be more in the future. Not all of these cryptos will have life changing ROIs (return on investment) like Bitcoin and Ethereum, but there are several that will and are vastly underpriced today.

That’s why it is important to start educating yourself on the various opportunities in this space. Learn about a project and if you feel confident in what they are building, invest some money (whatever you are comfortable with). I want you to feel empowered to take action and not be stuck in analysis paralysis. I hope by the end of this guide you will have made your first investment into crypto.

Things to Consider Before Investing

- Unlike your traditional 401K or other personal stock market investments, crypto is VERY volatile and is considered a high-risk/high reward investment. While I strongly believe in crypto’s longevity, you should only invest money that you are willing to lose.
 - Although highly unlikely, I tell everyone that they should be willing to lose the full amount of money that they put into crypto.
- Think of crypto as this generation’s early .com investment opportunity
 - Not all of the cryptos will ultimately survive, the ones that do may be massive (think of Google, Amazon, Windows, Apple, etc.)
- Make sure you have a investment timeline strategy before you start purchasing
 - Short-term (i.e., Active Trading): Day trading, Weekly, monthly, quarterly
 - Long-term (i.e., Passive Trading): 1 year, 3 years, 5 years, 10 years, 30 years
- You don’t have to purchase an entire crypto to get involved
 - Unlike the stock market where you have to spend whatever the market price is for 1 share, you can buy partial cryptos
 - For Example: you don’t have to spend \$30,000 to buy 1 Bitcoin, you can spend \$10 and get \$10 worth of Bitcoin (or any crypto for that matter)

Richard's Current Strategy

I have used the following strategies below to grow my crypto portfolio:

- [Dollar Cost Averaging](#) (DCA)
 - Dollar-cost averaging (DCA) is an investment strategy in which an investor divides up the total amount to be invested across periodic purchases of a target asset in an effort to reduce the impact of volatility on the overall purchase
 - I use DCA to consistently purchase various cryptos that I am involved in
 - This helps protect against price volatility and ensures I am consistently growing my portfolio
- Passive trades
 - [Passive investing](#) broadly refers to a buy-and-hold portfolio strategy for long-term investment horizons, with minimal trading in the market.
 - Some of the cryptos I purchase (for example Bitcoin), I have no intention of selling within the next 5-10 years. My reasoning is that they are currently greatly undervalued (this is my opinion) and will appreciate significantly over the next decade
 - I like to think of these cryptos as my “crypto 401K”. If they perform the way I think they could, it could help me have an early retirement
 - If I ever need liquid cash, I will always have this ready to liquidate
- Active trades
 - [Active trading](#) is the act of buying and selling securities based on short-term movements to profit from the price movements on a short-term stock chart
 - Using trading fundamentals (I use a tool called [Trading View](#)), I find positions that I think I can make 10-20% ROI (return on investment) within a few days or weeks
 - This is very active trading and I don't recommend for newbies

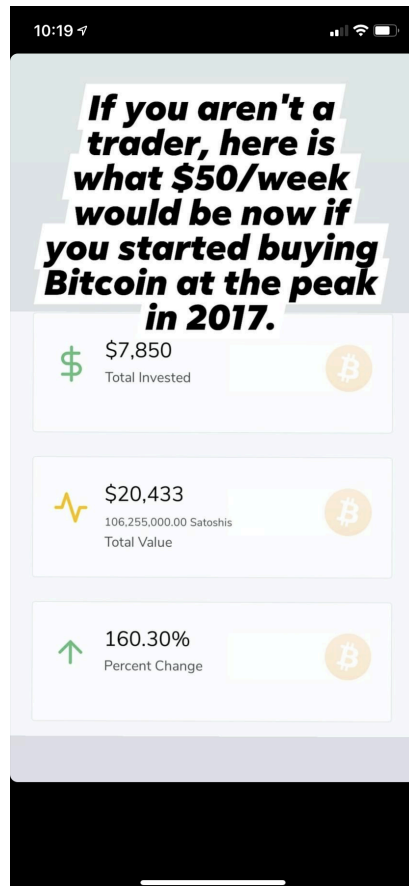
How to Purchase Crypto

One of the fastest ways to purchase crypto is through [Coinbase](#), a trading platform made specifically for crypto.

- Create a [coinbase account](#)
 - a. Here's [a tutorial](#) you can watch to setup your account
- After creating coinbase account, you can earn free crypto (\$160+) by watching the following videos
 - a. <https://www.coinbase.com/earn>
 - b. <https://coinbase.com/earn/comp/invite/fqctx78z>
 - c. <https://coinbase.com/earn/band/invite/z9qy84gd>

Dollar Cost Averaging: Bitcoin

As mentioned above, DCA is your friend when investing in crypto. This especially holds true when it comes to investing in Bitcoin. See the screenshot from [my Instagram](#) story below as an example of how your investment would have grown had you invested \$50 a week every week from Dec 17, 2017 to Dec 17, 2020:



Most people see the current price of Bitcoin and think, "I can't afford an entire Bitcoin! It's too late to invest in it." I used to think this way too, until I had an interview with Yan Prtizer, the co-founder of [Swan](#). He made a statement that sticks with me to this day:

"[Bitcoin] is something that I'm going to hold and my grandkids can use."

I remember on my 21'st birthday my grandfather gave me a bond worth \$200 that he bought for me when I was 1. He bought an asset for me that increased in value over time. I want to be able to do the same for my kids and grandkids one day and I think Bitcoin could be a great way to accomplish this.

Swan is an easy and more affordable way to set this up compared to other exchanges (like Coinbase because their fees can get costly) so that you can set and forget.

1. Create a [Swan Bitcoin Account](#)

Crypto Education Video Resources

If you want to further your knowledge, [Crypto Current](#) has several resources that you can utilize.

1. [Crypto basics](#) - Topics include:
 - a. Cryptocurrency explained
 - b. How to Research a Coin or Token
 - c. How to Buy & Sell Cryptocurrencies on Exchanges
 - d. What are ERC20 Tokens? How Can I Get Them?
 - e. Adding and Recovering ERC20 Tokens
 - f. Defi Basics
2. [Keeping your crypto safe](#) - Topics include:
 - a. Security Checkup
 - b. How to Setup Your Crypto Wallet
 - c. Setting Up A Ledger Wallet
 - d. Exchange Trust Rating on Coingecko
3. [Crypto Trading 101](#) - Topics include:
 - a. Charting Basics
 - b. Top Mistakes Traders Make
 - c. Margin and Futures Trading Basics
 - d. How To Lay Fibs On A Chart
 - e. How To Lay Trend Lines On A Chart

Crypto Tools

Here are a list of crypto tools that I use on a consistent basis

- [Crypto Current Partnerships](#)
 - Crypto and blockchain tools you can use today
- [Trading View](#)
 - Fundamental analysis for trading. There is also an active trading community aspect to get other people's opinions
- [CoinMarketCap](#)
 - View all available cryptocurrencies and their rankings. Research historical data on the cryptos and learn more about their projects.
- [Ledger](#)
 - Cold wallet storage to keep your crypto secure. I personally have a Nano Ledger S

Final Thoughts

If you still have additional questions after reading this guide, feel free to reach out! Also, if you are looking for some extra help to get everything setup I offer a \$99 Crypto Onboarding Consultation Package. We will schedule a private session to meet one-on-one to ensure you are properly set up. Think of it as a geek squad for crypto. If interested, please email me at cryptocurrent.co@gmail.com.

If you are an accredited investor and are looking for further assistance on investing in crypto, I am a part of a crypto fund named [Crescent City Capital](#) and would be happy to set up a call with our team to explore opportunities to work with and/or support you.

If you found this document helpful, please consider joining and contributing to [my Patreon](#).