

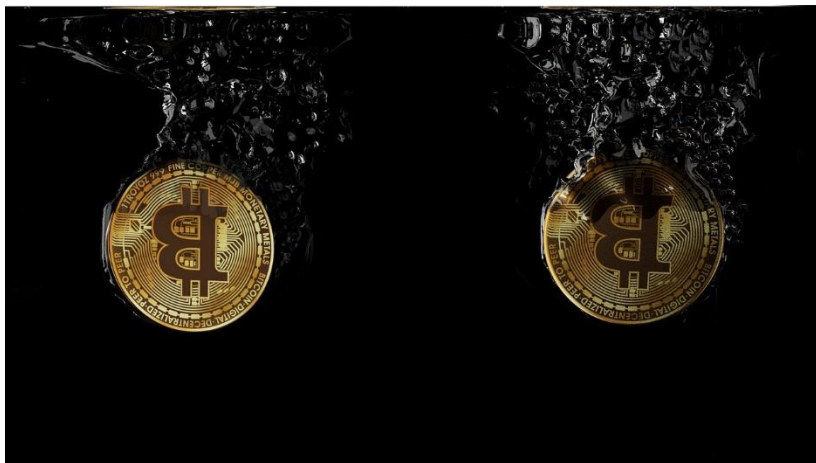
# DIGITAL CURRENCIES AND CRYPTOCURRENCY MARKET TREATH

Massimiliano Minaudo

University of Palermo, Italy

## Abstract

*After the prevalence of digital currency and mainly of Bitcoin the financial world has certainly changed, initially, it seemed that some currencies had surpassed their "mother" (Bitcoin precisely) now some new uncertainties surface and the task of the present research is to remove the veil of mystery that envelops the new coins and bring to light concrete facts and exact documentation. Is it still worth investing? What to do in the current landscape and what exactly has happened will be explained here and then analyzed to better understand the metamorphosis that took place.*



**Figure 1.** Bitcoin.

**Keywords:** digital currency, transactions, cryptocurrency market.

## Metodology

Observation of the phenomenon, survey of the population (survey), single case study, research, meta-analysis.

## Issues

Just in the month of August 2019, according to reliable sources in addition to the publication even on social media like Twitter, the digital gold has gone to \$ 11,800 after having reached its maximum intraday that would correspond exactly to \$ 12.300 in accordance with the quotations in real time that they can freely be consulted on [worldcoinindex.com](http://worldcoinindex.com).

The fall of the American stock market has therefore contributed, in addition to the ongoing battle over US-China duties (and at the same time the devaluation of the yuan), to the coming out of the static phase in which the cryptocurrency market remained frozen despite the historical highs precedents touched by the BTC (aka Bitcoin).

The large trading range has therefore wrapped the cryptocurrency Ripple (symbol XRP) operating on an open source network and with a decentralized platform, giving some reason to the founding fathers: Ripple, McCaleb and Larsen, in fact, it was they who wanted to introduce in the cryptomoney sector the possibility of eliminating (perhaps not all but a good part) the criticalities still present and persistent in Bitcoins.



**Figure 3.** Criptoaluta Ripple.

The three principles of this last cryptocurrency are represented by the digital currency itself and by the exchange, not least, by the network for payments without neglecting the algorithm that governs the transactions in the network (Ripple Consensus) and the register that tracks them and stores them in an archive (Ripple Consensus Ledger).

The optimism of McCaleb and Larsen is linked to the trust in technology at the base of digital currency because in transactions the fundamental element is cryptography (what distinguishes the monetary network of the aforementioned Ripple) but another determining factor is the reduction of costs intermediation (those that individuals must pay to the banks for the withdrawal or transfer of money).

The market for digital coins, in the new critical phase, has however dampened the positive wave desired for XRP, whose token has indeed suffered a fall (still in the month of August 2019) by lowering Ripple to \$ 0.30 and it is right to ask whether indeed, and at this turning point, he will be able to find his way back to rebound as the coingape.com editor John Isige raised the alarm by highlighting the price fluctuation.

### **Conclusions**

Investments or purchases on the net still remain outside any State control, precise regulations are still lacking.

Unfortunately, an activity is always subject to risks. Cryptography is the only way to go.

The user can always prevent the unauthorized use of his resources and his data which instead have in the meantime been favored by European governments in particular.

## References

- Capoti, D., Colacchi, E., Maggioni, M. (2015). *Bitcoin revolution: La moneta digitale alla conquista del mondo*. Milano: Hoepli.
- Birindelli, C., Coco, G. (2018). *Addio vecchie monete: ...è l'ora di Bitcoin*. Treviglio: Facco, L., Goware.
- Tonelli, S. (2017). *Dall'oro al bitcoin. Youcanprint Self-Publishing*.
- Pagano, M. (2017). *Blockchain. Cyberwar e strumenti di intelligence*. Viterbo: Nuovi Equilibri.
- Amato, M., Fantacci, L. (2014). *Moneta complementare*. Milano: Mondadori, B.
- Florindi, E. (2016). *Deep web e bitcoin: Vizi privati e pubbliche virtù della navigazione in rete*. Reggio Emilia: Imprimatur.
- Minaudo, M., *New digital currency and technological transformation*, in: ADVANCES IN GLOBAL BUSINESS AND ECONOMICS. *Proceedings of the Global Conference on Business and Economics*, June 4-8, 2018, Editor Dr. Cihan Cobanoglu M3 Center University of South Florida Sarasota-Manatee USA; 24-31.
- Massimiliano Minaudo, *The new frontiers of e-commerce through digital currencies and online transactions*, in: *GSI 2018 International Symposiums Book – Mediterranean University - Podgorica/Montenegro*, Editors Verda Canbey-Özgüler Aydın Zibell1-5.