

What is bitcoin?

Bitcoin is an innovative payment network. It is a new kind of money. Bitcoin is the first decentralized digital or virtual currency. Bitcoin is money you can send through the internet.

The advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a bank or clearing house. This results in the fees being lower. They can be used in every country.

Several bitcoin exchanges exist where you can trade. Your bitcoins are kept on your computer or mobile device. You can buy them using euros, sterling, dollars etc. Anything can be bought with bitcoin.

The bitcoin network is secured by individuals called miners. Miners are rewarded by mining for bitcoins. Transactions are paid for from existing bitcoins as transaction fees. Commercial use of bitcoin is currently small compared to its use by speculators, which has fuelled price volatility.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in circulation, with an approximate creation rate of 25 every ten minutes. The total supply is capped at 21 million and every four years the creation rate is halved.

Banks remain sceptical about bitcoins with many regarding bitcoins as unregulated. As a medium of exchange bitcoin has a clear potential for growth. However, there has been criminal activity in bitcoins by cybercriminals, for example, theft, black markets and money laundering. Some people regard bitcoins as nothing more than a pyramid operation.

GAP FILL: READING

Fill in the boxes with the correct word:

1. dollars / transactions / miners / bitcoin / several / individuals / lower / digital

Bitcoin is an innovative payment network. It is a new kind of money.

(1)_____ is the first decentralized (2)_____ or virtual currency. Bitcoin is money you can send through the internet.

The advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a bank or clearing house. This results in the fees being (3)_____.

They can be used in every country.

(4)_____ bitcoin exchanges exist where you can trade. Your bitcoins are kept on your computer or mobile device. You can buy them using euros, sterling, (5)_____ etc. Anything can be bought with bitcoin.

The bitcoin network is secured by (6)_____ called (7)_____.

Miners are rewarded by mining for bitcoins.

(8)_____ are paid for from existing bitcoins as transaction fees.

2. pyramid / cybercriminals / circulation / growth / supply / unregulated / sceptical / rate

Commercial use of bitcoin is currently small compared to its use by speculators, which has fuelled price volatility.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in

(1) _____, with an approximate creation (2) _____ of 25 every ten minutes.

The total (3) _____ is capped at 21 million and every four years the creation rate is halved.

Banks remain (4) _____ about bitcoins with many regarding bitcoins as (5) _____.

As a medium of exchange bitcoin has a clear potential for (6)_____.

However, there has been criminal activity in bitcoins by (7)_____, for example, theft, black markets and money laundering.

Some people regard bitcoins as nothing more than a (8) _____ operation.

GAP FILL: GRAMMAR

Fill in the boxes with the correct preposition:

1. in / or / on / an / you / the / for / by

Bitcoin is (1) _____ innovative payment network. It is a new kind of money. Bitcoin is the first decentralized digital or virtual currency. Bitcoin is money (2) _____ can send through the internet.

(3) _____ advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a bank (4) _____ clearing house. This results in the fees being lower.

They can be used (5) _____ every country.

Several bitcoin exchanges exist where you can trade.

Your bitcoins are kept (6) _____ your computer or mobile device. You can buy them using euros, sterling, dollars etc. Anything can be bought with bitcoin.

The bitcoin network is secured by individuals called miners. Miners are rewarded (7) _____ mining for bitcoins.

Transactions are paid (8) _____ from existing bitcoins as transaction fees.

2. some / however / which / many / more / every / with / than

Commercial use of bitcoin is currently small compared to its use by speculators, (1) _____ has fuelled price volatility.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in circulation, (2) _____ an approximate creation rate of 25 every ten minutes. The total supply is capped at 21 million and (3) _____ four years the creation rate is halved.

Banks remain sceptical about bitcoins with (4) _____ regarding bitcoins as unregulated. As a medium of exchange bitcoin has a clear potential for growth. (5) _____, there has been criminal activity in bitcoins by cybercriminals, for example, theft, black markets and money laundering. (6) _____ people regard bitcoins as nothing (7) _____ (8) _____ a pyramid operation.