

9 popular crypto terms

Here are the commonly used terms in the field of cryptocurrencies, for your reference.

Blockchain

Blockchain (blockchain) is where all cryptocurrency transactions take place. Simply put, blockchain is a virtual ledger. When someone buys or sells cryptocurrency, the transaction is executed and recorded on this ledger.

All information about transaction history is stored in blocks. These blocks are linked together into a chain (chain) like a train with interconnected freight cars. When a cryptocurrency transaction is made, a block with will be added.



A decentralized blockchain is a blockchain that exists on computers around the world, accessible via the Internet, and is not stored on a single computer or on a network.

By using the processing power of computers on a decentralized peer-to-peer network, each transaction is added to the blockchain.

Each transaction is timestamped, individually encrypted, and cannot be changed or reversed, so once sent it cannot be retrieved, unless returned by the recipient.

Altcoins

Altcoin is a compound word of alt (alternative form) and coin (cryptocurrency) and is used to refer to all non-Bitcoin cryptocurrencies. Currently, there are thousands of altcoins that exist in the market and every day new altcoins appear.

Exchange

Exchange is an exchange, a place for people to buy or sell cryptocurrencies. Exchanges act as intermediaries, acting as brokers, listing prices, price movements and market charts of cryptocurrencies. It allows investors to exchange and trade cryptocurrencies.

Some cryptocurrency exchanges have Vietnamese interfaces and many supporting features used by many Vietnamese users such as Binance, Huobi.

Cryptocurrency wallet

Cryptocurrency wallet - a cryptocurrency wallet that stores the location of your digital currency on the blockchain, used to send and receive funds and track balances.

Cryptocurrency wallets are divided into two categories:

1. Hot wallet: Exchange wallet, connected to the Internet.
2. Cold wallet (physical wallet): Usually a specially designed USB drive.

Physical wallets are said to be more secure than hot wallets because they are disconnected from the Internet, avoiding the risk of hacker attacks.

Mining

Mining is a term that refers to the process and operation of cryptocurrency mining. When the computer deciphers complex algorithms, the reward is a certain amount of cryptocurrency. A computer's ability to 'mine' virtual currency depends on its 'power'.

DeFi

DeFi is an acronym for Decentralized Finance. This is a term that refers to financial transactions based on blockchain without an intermediary, such as a government, bank or other financial institution, anyone can use.

NFT

NFT stands for Non-Fungible Token, is a digital certificate used to record ownership of a certain digital asset using blockchain technology, with a digital signature of the owner.

Hodl

This is a term used to talk about the strategy of buying and holding a certain digital currency, not selling regardless of whether the price rises or falls.

DApp

Decentralized applications (DApps) are applications designed to be deployed on the blockchain to perform actions without the need for intermediaries.

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