

bitcoin PROFIT SECRETS



GUIDE 6:

Trading and Selling your Bitcoin
for profit

Trading And Selling Your Bitcoin For Profit

Trading and selling your bitcoin can be a very profitable activity. You probably know someone or heard about someone who bought bitcoins in the early days when they were worth almost nothing, and ended up selling each bitcoin for thousands of dollars!

Or you may know people who engage in trading bitcoins and are profiting very nicely as well. It might seem easy, but the truth is, trading bitcoins is not for everyone.

Beginners are especially advised to take caution and to be mentally and financially ready before taking the plunge into this exciting high-risk and high-reward world. When trading, it's common sense to follow the 'buy low and sell high' strategy so you can make a profit.

You don't want to sell at a price lower than when you bought in because you'll be selling at a loss. But all these sounds easy on paper.

In the real world, when you're dealing with bitcoins that's worth hundreds, thousands or even millions of dollars, if you don't have the right mindset and the financial discipline, you could panic very easily.

Especially if you're trading bitcoins that represent your entire life savings, your retirement fund, or your kids' college tuition!

Bitcoin Trading Strategies

Common sense and self-control should take precedence over greed and the idea of profiting thousands of dollars in a single day. Here are some bitcoin trading strategies to guide you in the trading world.

Practice First

Learning the ins and outs of bitcoin trading is great, but knowing just theory is different from real-world application. Some bitcoin exchanges offer a demo account where you can play around and experience real-world trading using real-time prices.

You'll get a feel for the landscape, so to speak, and you'll see for yourself whether you've got the stomach for the high-risk game of bitcoin trading.

Plan Your Strategy

To trade bitcoins successfully, you need to have a good strategy in place. You don't just blindly follow the news and think that because everyone's buying bitcoins, then you should be buying too.

Have a plan in place on what price you should buy bitcoins at and what price to sell them at to profit, and make sure you stick to that plan. This means keeping your panic at bay whenever you see the price drop.

Invest Small Amounts

As part of your practice or training strategy, you should start small and don't go all in when you first trade. It is fine to lose all your 'money' in a demo account, but when it's real money, you don't want to risk losing huge sums on your first day.

Control Your Emotions

It's normal to feel alarmed at the first hint of losing your money. However, as you already know Bitcoin is very volatile, and in a single day, the price can go down by hundreds or thousands of dollars. But the opposite is also true. The price can just as easily go up in the next hour or so.

If you keep your emotions in check and think logically, you too can make serious money with Bitcoin trading.

However, if you fail to control your emotions and you let your panic overcome you, then you're bound to lose.

Popular Bitcoin Trading Platforms

Now that you know some very useful Bitcoin trading strategies, it's time to learn about some of the most popular trading platforms for Bitcoin and other cryptocurrencies.

Coinbase

Coinbase is one of the biggest digital currency exchanges in the world today with over 50 billion dollars' worth of digital currency exchanged since 2011. They currently serve more than 10 million customers based in 32 countries.

The platform is very easy to use, and you can easily buy and trade your digital currency.

- To begin, you have to create a free digital wallet which you can use to store your cryptocurrency.

- Next, you need to link your bank account, credit or debit card, so that you can exchange your local currency into the cryptocurrency of your choice.
- Once your account is set up and funded, it's time to buy some crypto.

You have the option to buy bitcoins, ethereum, and litecoin. You can do this either on their website or their handy mobile app.

Now that you've got some bitcoins, you can choose to start trading on Coinbase's GDAX (Global Digital Asset Exchange) trading platform although this is geared towards more advanced and experienced traders.

For beginners though, it's best to stick to Coinbase's more newbie-friendly interface. The good thing about Coinbase is that your digital currency is fully insured while your fiat currency (local currency) are stored in custodial bank accounts. The USD Coinbase wallets of US citizens are covered by FDIC insurance, up to a maximum of \$250,000.

To sell your bitcoins, ethereum or litecoins, you simply need to indicate the amount you want to sell and the wallet you're selling from. Then select the linked bank account you wish to deposit your cash to.

At this time, Coinbase does not allow the proceeds of your sale to be sent to a credit or debit card, so it's important you link a bank account to your Coinbase account.

Kraken

Kraken is one of the most trusted names in bitcoin and cryptocurrency exchange since 2011. The company is also considered to be the largest

bitcoin exchange in terms of Euro volume and liquidity. In addition to trading bitcoins, they also trade US dollars, Canadian dollars, British pounds and Japanese yen.

Many international users love Kraken because it's very accessible internationally and they support many different types of national currencies and cryptocurrencies.

Kraken offers many options for trading. You can easily trade between any of their 17 supported cryptocurrencies with Euros, USD, CAD, JPY, and GBP. They offer so many possible trading pairs, they have a very long page dedicated just for their fee schedule!

To get started with Kraken, you need to create a free account. After you've verified your account, you can then fund it with cash or cryptocurrency and then place an order to buy bitcoins (or another crypto) on the exchange.

When your order request is fulfilled, you can then withdraw your bitcoins/crypto to your wallet. Their web interface is relatively simple when ordering, however, their trading tools are robust and are great for more advanced users.

To sell bitcoins, you need to send your bitcoins from your wallet to your Kraken account and then create a new order to sell or trade them for any of the available national currencies. Once your order is filled, you can then proceed to withdraw the cash to your linked bank account.

CEX.io

CEX.io is one of the most popular cryptocurrency exchange platforms today with over 1 million active users worldwide. However, the company wasn't originally an exchange; it was actually established in 2013 as the first ever cloud mining provider. While the mining aspect of the business has since been closed, their exchange platform is clearly thriving.

Many users appreciate CEX.io's pricing transparency. If you're buying bitcoins, they make it so easy for you to see how much your \$100, \$200, \$500 or \$1000 is going to get you. You can also easily see just how much bitcoin you can buy in British Pound, Euro, and Russian Ruble. The buying price is updated every 120 seconds.

To get started, you need to create an account and add funds to it by using your credit card (you can link any number of credit cards to your account), or you can do a bank transfer, too. They accept USD, EUR, RUB, GBP, or your local currency.

Once the funds are added to your account, you can easily buy bitcoins with 1 click. You then have the option of storing it in your CEX.io wallet, trade it or withdraw to your personal wallet.

Selling bitcoins is also very easy on CEX.io. Simply have the bitcoins in your account, then use their handy buy/sell section for instant cash, or you can place an order in the Trade section of the site (you might get a better exchange rate if you trade).

You can quickly withdraw your earnings to your Visa or Mastercard and receive your funds instantly. Alternatively, for larger transactions, you can withdraw via bank transfer or SEPA if you're in Europe.

Bitstamp

Founded in 2011 in the UK, Bitstamp is one of the pioneers in Bitcoin trading. They are constantly improving their services, and to date, they allow trading of bitcoin, ripple, litecoin, ether and bitcoin cash. Bitstamp has a good reputation worldwide especially since they accept trades from anyone in the world.

All major credit cards are accepted as well, so it makes the platform very friendly to international users. They also promise no hidden fees with transparent volume-based pricing. They guarantee that 98% of digital funds are stored offline for security.

Bitstamp does not sell bitcoins themselves. Instead, they provide a service or platform where people trade directly with each other and buyers get their bitcoins and sellers get their cash at the price they want.

To get started with buying and selling bitcoins, you must create a Bitstamp account. You then need to transfer funds to your account via SEPA, wire transfer or credit card. Once payment is credited, you can place an instant buy order which will allow you to automatically buy bitcoins at the lowest price offered on the Bitstamp market.

A second option to buy bitcoins is by placing a limit order wherein you can set the price you are willing to buy bitcoins.

To sell bitcoins, you need to load your Bitstamp account with bitcoins first. Once you've done this, you can then place an instant sell order to automatically sell your bitcoins at the highest price offered on the market.

Alternatively, you can place a sell limit order where you can set the price at which you are willing to sell your bitcoins. Once your bitcoins are sold, you can proceed to withdraw your funds in USD or EUR currency.

Bitfinex

Since 2014, Hong Kong-based Bitfinex has been the world's largest cryptocurrency trading platform in terms of volume. This full-featured spot trading platform allows trades among the major cryptocurrencies such as Bitcoin, Ethereum, Litecoin, Money, Dash, Ripple, and more. Having such a large volume of Bitcoin exchanges happening on this platform implies the best liquidity.

This means you can trade a large volume of bitcoins at the price you want. Bitfinex's fees are also very low as compared to other cryptocurrency exchanges on this guide. This is why a lot of people like trading on this platform as more money goes to their accounts instead of being paid in fees.

Funding your Bitfinex account is not as simple as the other exchanges though. The only way to deposit money is via bank wire transfer which can take days. On top of the delay, you'd also have to pay Bitfinex a 0.1% of the deposit amount with a \$20 minimum. Withdrawing your dollars is also a headache as they only offer bank wire withdrawals. Your money may take up to 7 days to post to your account!

To avoid this inconvenience, trading experts suggest getting your bitcoins or other crypto elsewhere and then just transferring it to your Bitfinex account. For withdrawals, you can withdraw your crypto to your wallet and then sell it locally. This workaround means you just use Bitfinex strictly for trading cryptocurrencies.

Are You Ready To Start Trading Bitcoins?

There are many more bitcoin and cryptocurrency exchanges we've not been able to include in this guide. It's best to perform due diligence and research before selecting a trading platform. Just remember that whichever cryptocurrency exchange platform you choose to do business with, you must always move your cryptocurrency to a more secure wallet such as a hardware wallet or paper wallet.

Don't leave it in your exchange's wallet as it's at great risk of being stolen by hackers. If you must store some in your online wallet, just keep the smallest amount you can afford to lose.