

CRYPTO 101

THE GLOSSARY



A

Airdrop – Free distribution of tokens to users, often for marketing or community rewards.

Altcoin – Any cryptocurrency other than Bitcoin (e.g., Ethereum, Solana, Avalanche).

ATH (All-Time High) – The highest price a crypto asset has ever reached.

APR / APY – Annual Percentage Rate / Yield; measures rewards or returns in staking or lending.

B

Blockchain – A public, decentralized digital ledger that records all crypto transactions.

Bitcoin (BTC) – The first and most well-known cryptocurrency, launched in 2009 by Satoshi Nakamoto.

Bear Market – A period when prices fall over time, leading to negative investor sentiment.

Bull Market – A period when prices rise and optimism dominates.

C

Cold Wallet / Cold Storage – A secure, offline method of storing cryptocurrency (e.g., hardware wallet).

Consensus Mechanism – The process networks use to agree on transactions (e.g., Proof of Work, Proof of Stake).

Crypto Wallet – A digital tool to store, send, and receive cryptocurrencies. Comes in hot (online) or cold (offline) forms.

Custodial Wallet – A wallet managed by a third party (like an exchange).

D

DeFi (Decentralized Finance) – Financial systems built on blockchain, without banks or intermediaries.

DEX (Decentralized Exchange) – A peer-to-peer platform where users trade crypto directly from their wallets.

DAO (Decentralized Autonomous Organization) – A community-run organization governed by smart contracts and token holders.

DYOR (Do Your Own Research) – A common phrase reminding investors to verify information before investing.

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E

Ethereum (ETH) – A blockchain known for enabling smart contracts and decentralized apps (DApps).

Exchange – A platform for buying, selling, and trading crypto assets (e.g., Binance, Coinbase).

F

Fiat Currency – Traditional government-issued money like USD, EUR, or GBP.

FCOINZ - (FCNZ) is a Solana-based coin created for sports and fantasy-sports fans.

FOMO (Fear of Missing Out) – The emotional reaction to rising markets that often leads to impulsive buying.

FUD (Fear, Uncertainty, Doubt) – Negative news or rumors that cause panic selling.

G

Gas Fees – Transaction costs paid to miners or validators for processing transactions on a blockchain.

Genesis Block – The very first block in a blockchain.

H

Halving – A Bitcoin event that cuts mining rewards in half, reducing supply and often influencing price.

HODL – Originally a misspelling of “hold,” it now means keeping crypto long-term regardless of market swings.

Hot Wallet – A crypto wallet connected to the internet, more convenient but less secure than cold wallets.

I

ICO (Initial Coin Offering) – A fundraising event where new tokens are sold to early investors.

Immutable – Cannot be changed or altered – a key feature of blockchain records.

J-L

Layer 1 – The base blockchain (like Bitcoin or Solana).

Layer 2 – A secondary framework built to make Layer 1 faster or cheaper (e.g., Polygon for Ethereum).

Liquidity – How easily a token can be bought or sold without affecting its price.

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M–O

Market Cap – The total value of a crypto asset (price × circulating supply).

Mining – The process of validating transactions and adding them to the blockchain (common in Proof-of-Work).

NFT (Non-Fungible Token) – A unique digital asset used to represent ownership of art, music, collectibles, or in-game items.

Node – A computer that participates in maintaining a blockchain's network and data integrity.

P–R

Private Key – A secure code that grants access to your crypto. Keep it secret – whoever has it controls your funds.

Public Key – Your wallet's visible address that others can use to send crypto to you.

Proof of Stake (PoS) – A consensus mechanism where validators lock up tokens to secure the network.

Proof of Work (PoW) – A mechanism where miners solve puzzles to validate transactions and earn rewards.

S–Z

Satoshi – The smallest unit of Bitcoin (0.00000001 BTC).

Smart Contract – Self-executing code on a blockchain that automates agreements.

Stablecoin – A crypto token pegged to a stable asset (like USD or gold) to reduce volatility.

Tokenomics – The economic design and distribution model behind a token.

Web3 – The next phase of the internet, built on blockchain and focused on user ownership and decentralization.

Whale – An individual or entity holding large amounts of cryptocurrency that can influence market price