

Sun City Summerlin Computer Club

**Internet Investing
SIG**

**Tom Burt
April 20, 2017**

SIG Meeting Schedule

- The Internet Investing SIG meets every other “even” month on the third Thursday morning at **9:30 AM**.
- The next six meeting dates will be:
 - *June 15, 2017*
 - *August 17, 2017*
 - *October 19, 2017*
 - *December 21, 2017*
 - *February 15, 2017*
 - *April 19, 2017*

Fundamentals Review

- **Dollar remains very strong against foreign currencies.**
 - *Oil priced in dollars – around \$53 / barrel.*
 - *OPEC production cuts offset by US fracking.*
 - *Many energy stocks have risen.*
 - *Other commodity prices and stocks of producers still down.*
- **ISIS and Russians in Syria plus North Korea are concerns.**
 - *“Flight to quality” (Selling stocks and buying US Govt. debt) has eased bond yields down. The 10 year Treasury note now yields about 2.232%
The 30 year Treasury note yield is 3.03% !!!*
- **China’s economy & markets struggling.**
- **Eurozone – in *BIG* trouble due to hoards of refugees.**
- **Federal Reserve may raise rates .25% again in June.**
- **Official Inflation rate as of March 31 was 2.4% / year**
 - *March actually saw a DROP of 0.3% month over month*
 - *Some food prices have come down (beef, pork)*
 - *NV Gasoline creeping up (\$2.43 at Costco)*
 - *Medical care & insurance is NOT cheap*

Bitcoin Digital Crypto-currency (1)

- **What is Bitcoin?**
 - <http://bitcoin.org/en/>
 - <https://en.wikipedia.org/wiki/Bitcoin>
- **Some exchanges where can you buy and sell Bitcoin?**
 - <https://Coinbase.com>
 - <https://www.weusecoins.com/en/how-buy-bitcoins-online-best-bitcoin-exchange-rate-bitcoin-price/>
- **Bitcoin – Recent Price (around \$1190)**
 - <http://www.coindesk.com/price/>
 - <https://coinbase.com/charts>
- **You store your Bitcoins in a digital wallet.**
 - *A wallet is an app + file that allows you to manage your Bitcoin*
 - *A wallet runs on your computer, handheld device or the web.*
 - <https://bitcoin.org/en/choose-your-wallet>

Bitcoin Digital Crypto-currency (2)

- **Can you use Bitcoin to make purchases?**
 - *Many online merchants now accept Bitcoin.*
 - *Some brick and mortar stores also accept.*
- **All Bitcoin transactions are journaled to the “Block Chain”**
 - *Decentralized ledger of all transactions – many copies.*
 - *Implemented with public/private key encryption.*
 - *No “agent-of-trust” involved – just cryptographic math algorithms.*
 - *Once a block is committed, it’s immutable and permanent.*
 - *Prevents a Bitcoin from being spent twice.*
 - *Block chain can be used for securing many things besides purchases – contracts, documents, music, art, video.*
- **Is Bitcoin “Safe”**
 - *Relatively safe if you deal with reputable Exchange and Wallet operators.*
 - *Governments don’t like Bitcoin and so there are attempts to attack it or make it “illegal” (e.g. claim it’s used for drug dealing).*
 - *Once completed, Bitcoin transfers are permanent – no repudiation.*

Bitcoin Digital Crypto-currency (3)

- **Is Bitcoin a viable hedge against dollar inflation?**
 - *Bitcoin to dollar exchange rate is rather volatile.*
 - *In event of serious paper currency inflation, Bitcoin should hold or increase or in value.*
- **Should you hold / use Bitcoin?**
 - *May be more trouble than it's worth.*
 - *Similar to buying gold – doesn't pay any interest.*
 - *Could be a challenge to use if the Internet were shut down.*
- **Other digital crypto-currencies**
 - <https://blockgeeks.com/guides/what-is-cryptocurrency/>
- **Buying Gold Coins**
 - <https://www.blanchardgold.com/#1>
 - *About \$50 over spot price (+ shipping)*

Open Discussion