

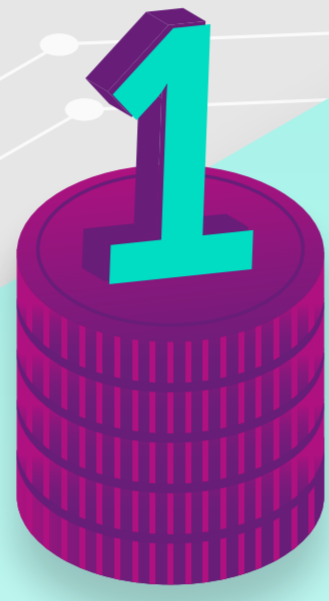
TOP 5 cryptocurrencies

Cryptocurrencies – and the renowned blockchain technology they are built on – have fostered the development of a particularly promising parallel economy. After the launch of the first fully totally digital currency, Bitcoin, in 2009, several hundred alternatives with different technical features have emerged on the market. Read on to find out all about the top 5 major cryptocurrencies.



What is a cryptocurrency?

Cryptocurrencies operate independently of bank or state control, and are traded on a peer-to-peer basis via an open source program and a decentralized IT system – the blockchain – reputed for being tamper-proof and forgery-resistant. Cryptographic validation processes mean that these digital assets can be used to conduct secure, high-speed financial transactions at a lower cost and entirely anonymously.



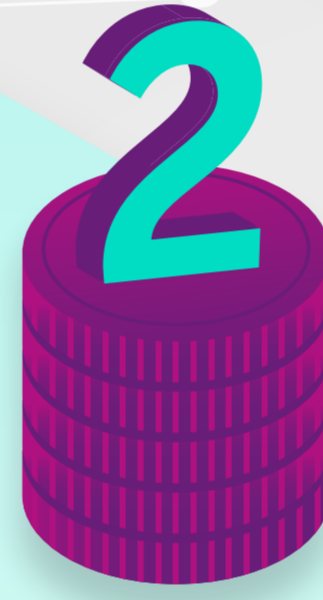
The mightiest: Bitcoin (BTC)

Bitcoin was developed in 2009 and remains the best-known cryptocurrency. Despite its severe volatility, its price surged from 765.59 BTC to 1 dollar in 2009 to 1 BTC for 8,749 dollars in 2020, and its market capitalization now exceeds all other cryptocurrencies combined. The creator of the bitcoin planned that the total number of bitcoins issued would be strictly limited to 21 million. This stroke of genius encourages investors to speculate on the inherent rarity of Bitcoin. Some states recognize Bitcoin as legal tender, and this leading digital asset continues to gain popularity, particularly with the general public.



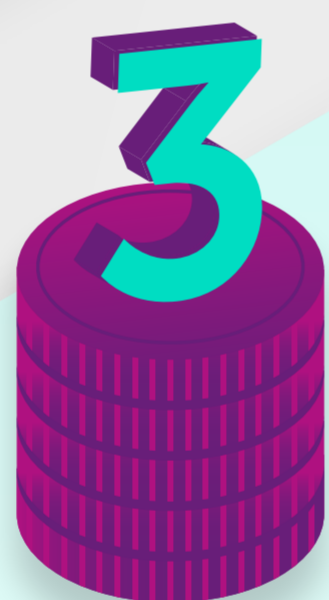
The most revolutionary: Ether (ETH)

Ether holds second place on the cryptocurrency market after Bitcoin. It was set up in 2014 and is based on the first programmable blockchain Ethereum. In addition to Ether-based transaction management, Ethereum also allows for the creation of smart contracts i.e. independent IT programs that can automatically execute a contract without a trusted third party, by applying all the conditions and limitations predefined by the various stakeholders ahead of time. This allows for the execution of a whole range of transactions at a lower cost, such as the transfer of funds, securities, ownership deeds, goods, etc.



The fastest: Ripple (XRP)

Ripple was developed by a start-up in San Francisco in 2012, and aims to provide secure and virtually instantaneous international financial transactions at a low cost. Banks the world over are increasingly opting for this solution, such as UBS and Crédit Agricole, and Ripple's blockchain technology has the particular advantage of being able to handle both fiat currencies and cryptocurrencies, along with other units of value i.e. precious metals, securities, etc. Transactions can be settled in less than four seconds, as compared with two to four working days for traditional wire transfers, etc.



The most controversial: Libra

Libra is a cryptocurrency created by Facebook in partnership with finance and high-tech heavyweights (Visa, Mastercard, PayPal, Booking, etc.) and slated for launch in 2020. It aims to provide a stablecoin, with value pegged to a reference currency like the dollar. The aim behind this technology is to enable the 2.2 billion Facebook users to use the cryptocurrency via the company's apps, Messenger and WhatsApp. Announcement of this move sent shockwaves through the industry, with regulators up in arms as a result of fears that Libra will undermine the world monetary system. The project was suspended in light of this pressure.



The most official: JPM Coin (LTC)

JPMorgan Chase announced the launch of its own cryptocurrency JPM Coin at the start of 2019. Unlike cryptocurrencies such as Bitcoin, this is a stablecoin and its value equates to the dollar rate. It is still in the testing phase and is designed to be used to conduct financial transactions for the bank's very large institutional clients. JPM Coins are based on blockchain technology, and will enable the bank to offer virtually instantaneous and less costly money transfers. Japanese and Swiss banks followed suit in early 2020, offering their own digital currencies Dukascoin and J-Coin.

