

**From:** jesse@yourpersonalcryptoassistant.com  
**Sent:** Wednesday, March 2, 2022 7:40 AM  
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**Subject:** NFTs - What is it? What's it worth and should you buy them? as well as other thoughts - from Your Personal Crypto Assistant

Breaking news – **I'm teaching an Introduction to Bitcoin & Cryptocurrencies course** open to the public at my local community college. It's a great deal at only \$139 per person. When I checked yesterday, there were still at least a couple seats left in the online as well as the in person (Schnecksville, PA) sections. If you or anyone you know is interested [sign up here!](#)

Next, before we get to NFTs a quick update on Bitcoin pricing. February started at about \$38,500 hit a high of \$45,300, then a low of \$34,950 and as I write this we are now back up over \$43,000. This is down significantly from the \$68,000 we saw in early November last year. Much of the rest of the crypto market has seen similar or greater volatility. Here is what I think you should take away from what we have seen recently.

1. Bitcoin remains very volatile and you should not use it for money you will need to pull back out soon.
2. Bitcoin has the potential to be a strong inflation hedge – but it isn't being treated that way (yet).
3. Long term Bitcoin will be used as a safe haven during times of crisis and monetary risk. Today the results are mixed. Conflict in Ukraine and other concerns seem to result in folks "de-risk" by moving out of, not into Bitcoin. BUT with the monetary issues in Russia and elsewhere now there is increased interest in money you can hold yourself (cash / crypto)
4. "The time to buy is when there is blood in the streets". If you believe Baron Rothschild, listen for the next round of talk that Bitcoin is dead as Bitcoin drops and buy then.

I remain a long term believer in Bitcoin (I still think Bitcoin over 100k by the end of year is very possible), and see this as a continued opportunity to buy in before the next big run up. Dollar Cost Averaging (DCA) is my strategy – I use [Strike](#) to get my paycheck paid in Bitcoin. Feel free to ask me how it works and if you [use my referral code \(J7FBQK\)](#), we both get a small bonus. I believe that more people will continue to invest more money in the strictly limited number of Bitcoin and the price will continue to rise. When a US spot ETF for Bitcoin is approved (I have no insider knowledge, but I'm guessing late this year) and it becomes easy to invest – particularly retirement money, the price will soar. On the other hand, while at a crypto conference last month I was asked if Bitcoin could go down significantly from here. As I always do, I tell folks there is no guarantee and walked through one possible scenario where it goes down to almost zero. Your situation is your own, and you need to be responsible for the amount you invest.

On to NFTs. **The first question is what is an NFT?** It is an abbreviation for Non-Fungible Token. Something that is fungible is interchangeable / replaceable. So each NFT is unique and its uniqueness matters. Any 20\$ bill is as good as any other (fungible), but a signed rookie year Mickey Mantle baseball card in mint condition is not the same as any other baseball card (non-

fungible). NFTs work mostly like a crypto coin or token. They are stored on the distributed ledger (blockchain) and can be seen by all, but are controlled by the private keys (generally stored in your wallet software). Often the token is created based on some digital property, an image, a movie, an identifying number so the NFT becomes tied to it. I have some memorabilia limited edition Olympic coins in silver – they shipped with a paper certificate of authenticity. The NFT is like that piece of paper – it can be provably connected to the digital file.

Now the fun part – **what is an NFT worth?** [“The First 5000 Days” by digital artist Beeple](#) sold for \$69.3 million. A group of collectors paid a total of \$91.8 million for 250,000 NFT’s that make up [“The Merge” by the artist Pak](#). Ozzy Osborne released almost 10,000 NFTs in a collection called [CryptoBatz](#). These sold for about \$2,000 each. So how do you know what you should pay? Or when you resell how much you should charge? It’s very hard to tell. The markets are often illiquid with high transaction fees and buyers can be anonymous or difficult to confirm. It’s possible for someone to sell an NFT, secretly buy it themselves and then claim a value based on a completed sale price. In fact, [Melania Trump](#) was accused of buying the NFT she auctioned off.

**What do you get when you buy an NFT?** You get a private key to a token on the blockchain. What can you do with that? It depends, and often is not very clear. If you buy a Cryptopunk (one of the earliest NFTs), you get ownership of that Cryptopunk but it’s mostly bragging rights. It’s not like you purchased a masterpiece painting that is on the wall in your house and only you and those you allow can see it. The image associated with your Cryptopunk is public – and easily downloaded. How much is it worth to boast to your friends that you are the one that owns that Cryptopunk?

The interesting area for NFTs is when there is an enforcement mechanism. If your NFT is part of an online game / environment then the creators of the game / environment enforce rules on the NFTs and that can provide in game value. There is a horse racing game called [ZED RUN](#) where each horse is represented by an NFT. You can buy a horse (NFT), race your horse and even breed your horse. You can make money on stud fees, selling offspring horses (NFTs) and of course races. In [Decentraland](#) you can buy in game land, [Star Atlas](#) lets you buy spaceships and of course [Axie Infinity](#) lets you buy Axies. NFTs have been used as [admission tickets](#) to a party in NYC – no NFT? Can’t get in. They can be used for membership programs such as a [travel clubs](#), [loyalty programs](#) and even a [restaurant](#). One interesting project is [Liquid Vineyards](#) – that lets you purchase rights to vines in a vineyard. They place a 5G tag on the vine that you select and provide information on its status as it grows, is harvested, bottled and the wine shipped to you. **Eventually there will be many real world assets controlled by NFTs.** You notice the key differential between these uses and the NFT of a picture? Proof of ownership gives more than bragging rights, but allows you to use the asset within the environment. When folks talk about the metaverse in all its variations – NFTs are likely to be used to prove ownership of objects there too.

So now the key question - **Should you buy NFTs?** Like many things in life, it depends. In general if you are looking for the next big thing and just want to buy something cheap and watch the price rocket up you should save your money for Vegas and place your bets there. If there is an online game or community that you want to participate in or support and you can afford it you should buy in. I recently purchased a [Flote NFT](#). This NFT includes special badge and privileges and discounts on

the [Flote](#) social media platform (like Facebook / Twitter). And because it's a digital NFT, I can resell it later if I no longer want to own it.

One final NFT note. **Maybe instead of buying NFTs you want to mint your own.** I'm looking to do a partnership with a small to medium business – assisting them with getting started with NFTs. Please reach out to me if you are interested and we can discuss the opportunity.

Thanks for reading through this. I hope this has been useful for you, the links entertaining, but most importantly I hope this inspires you to take the next step learning more about crypto. As always, my thoughts here are strictly for your education, I don't offer financial, legal or tax advice. You need to evaluate your own situation and risk tolerance and DYOR (Do Your Own Research). Do not put any money into crypto that you are not willing to lose. I love answering crypto questions, so please do [email me](#) or [call me](#), I like to help. Personal instruction and assistance is my specialty – so if you or anyone you know is looking for more than an email response to a question I can also provide one on one consulting and have a number of [classes / consulting packages](#).

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