Twitter Thread by Daan Crypto Trades #NFT



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NFT Crypto Guide 101 ■

■What are Non-Fungible-Tokens?
■What are NFTs used for?
■What do I expect for the NFT space in 2021?
■What NFTs do i hold?
■Where do I buy NFTs?

I will go through all of these questions.

Thread below ■

■What are Non-Fungible-Tokens (NFTs)?

NFTs are crypto tokens that represent something unique. They are not mutually interchangeable.

This means that one NFT is not the same as the other.

Unlike for example Bitcoin, where each satoshi is exactly the same as the other.

These NFTs exist on the Ethereum Blockchain. Instead of ERC-20 tokens, we call these NFTs: ERC-721 or ERC-1155 tokens.

ERC-20 FUNGIBLE	ERC-721 NON-FUNGIBLE
Uniform	Unique
Interchangeable	Non-interchangeable
Divisible	Non-divisible
Examples: Binance Coin, Maker, OmiseGO	Examples: Decentraland, Cryptokitties, Ethermon

Each of these NFTs have an unique ID that seperates them.

For example, The Hashmask with ID #6718 is completely different than the Hashmask with ID #9939.

Different visually as well as the ID on the blockchain.



■What are NFTs used for?

NFTs are used to create verifiable digital scarcity and digital ownership.

The main applications we see today are:

■Digital Art
■Collectibles
■Games

So aren't NFTs just digital pictures of something?

Well, yes and no. Sure, if you got a NFT art piece you may not be able to physically hang it on the wall, but one thing you do know: You're the owner and there isn't anything like your piece of art.



Forgeries would be very easily identified and everyone in the world can see your piece and see you're the owner. All verified by the blockchain.

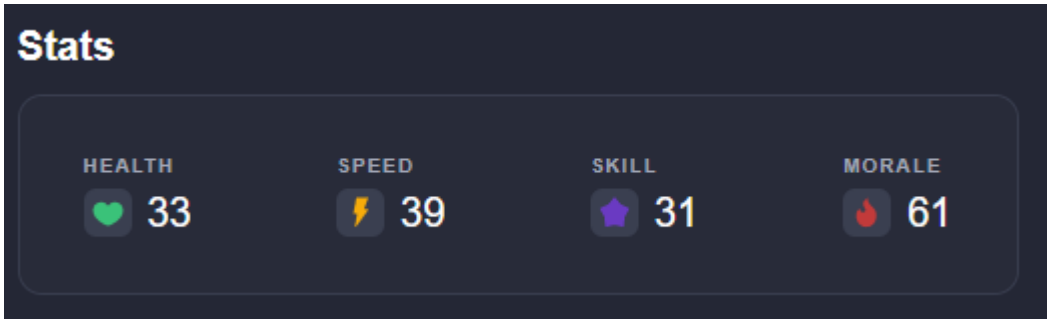
Just the fact of having a one-of-a-kind piece of something is very valuable to a lot of people, even if it's digital.



You could even say your digital piece is easier to display to the world than a physical painting that's just hanging in your home. Now, millions of people can see it.

Besides that, some of these art pieces are made by professional well-known artists which adds even more value.

Games are also a very good use of NFTs. In this case, a NFT could be for example, a special weapon or character that has certain stats that may be better or worse than another NFT. Now we're already talking actual ingame advantages on these NFTs.



We all know how big the gaming industry has become by now, and how quick it is still growing to this day.

Trust me, there is PLENTY of people that would love to spend a fortune on something that gives them an unique extra ingame. Whether it's something powerful or just cosmetic.

■What do I expect for the NFT space in 2021?

I will start of by saying I am very bullish on the entire NFT scene for 2021 and onwards.

We are only just seeing the tip of the iceberg. NFT projects are getting progressively more attention these last few months.

Meanwhile, more and more companies are developing amazing initiatives and projects all around NFTs.

We are even seeing some coverages of big purchases by big media sites like Coindesk.

https://t.co/cTa9PN2B1p

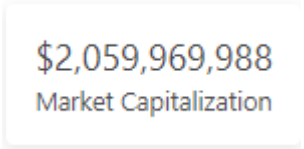
Just recently, we've seen the sale of 9 rare land plots within the @AxieInfinity universe for a stunning $1.5 million dollars. And this is likely only the beginning.

As more and more attention flows towards NFTs i don't expect anything less than a big NFT boom this year.



The current combined market cap of tokens listed within the NFT category on @coingecko is just $2B.

I would not be surprised to see this go towards $10B+ this year.



■What NFTs do i hold?

Only mentioning this because i know i will get asked this.

No financial advice, obviously. ■

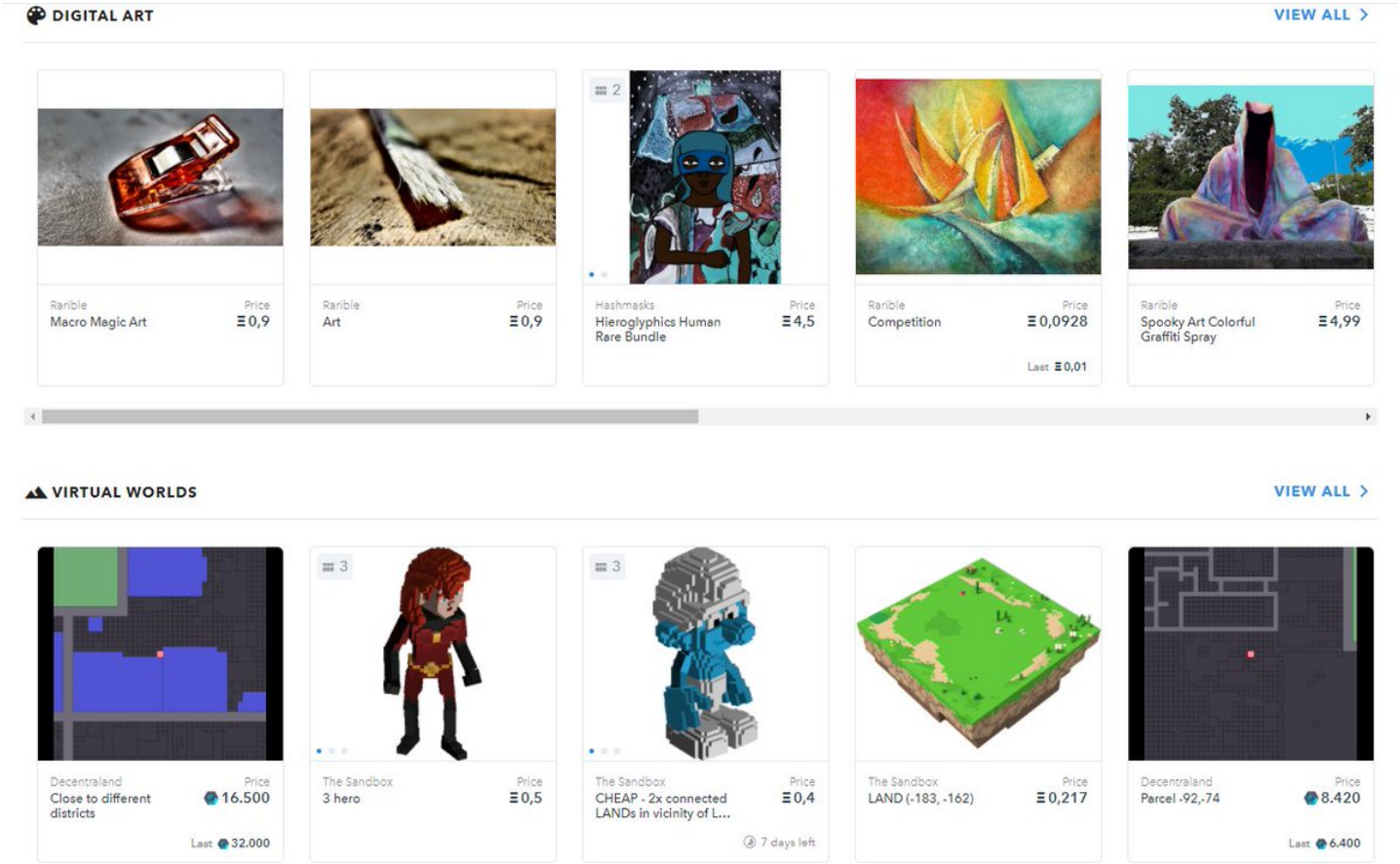
My Current NFT token (ERC20) holds are:
$PGT, $GHST, $NFTX, $MEGA, $PAINT & $B20.

I hold NFTs in:
@AxieInfinity, @ApeInFinance & @MegaCryptoPolis

■Where do I buy NFTs?

NFTs are generally bought on websites like @opensea and @rariblecom. These websites enable you to buy and sell your NFTs but also to list your personally created NFTs.

The ERC-20 tokens are usually available on CEX's, @Uniswap or @SushiSwap.



■Summary:

NFTs are one of the newest hypes within the crypto space but still relatively small compared to the rest of the market. The space is getting more attention by the day.

I think a lot of NFTs and projects working within the NFT space have a bright 2021 ahead of them.