

SC lifts RBI ban on dealing in Crypto Currency

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STRENGTHS



- It is secured by cryptography so it makes nearly impossible to counterfeit or double-spend.
- Blockchain technology to gain decentralization, transparency, and immutability.
- Can be sent directly between two parties via the use of private and public keys.
- Transfers can be done with minimal processing fees and it need not for a trusted third party like a bank or credit Card Company.
- A user's "wallet," or account address, has a public key, while the private key is known only to the owner and is used to sign transactions.
- Transactions are propagated nearly instantly in the network and are confirmed in a couple of minutes in a global network.

WEAKNESSES

- It is not issued by a centralised authority such as a central bank.
- The decentralized nature of the blockchain makes crypto currencies theoretically immune to the old ways of government control and interference.
- Since market prices for crypto currencies are based on supply and demand, the rate at which a cryptocurrency can be exchanged for another currency can fluctuate widely
- After confirmation, a transaction can't be reversed by anybody.
- Neither transactions nor accounts are connected to real-world identities.
- There is no gatekeeper for this currency.



OPPORTUNITIES



- Some economic analysts predict a big change in crypto is forthcoming as institutional money enters the market.
- There is the possibility that crypto will be floated on the Nasdaq, which would further add credibility to blockchain and its uses as an alternative to conventional currencies.
- It may be best to treat your "investment" in the same way you would treat any other highly speculative venture.

THREATS

- Its potential to act as a store for illicit wealth.
- The ban had crippled the crypto market in India.
- People can use it for illegal activities, exchange rate volatility, and vulnerabilities of the infrastructure underlying them.
- Are highly secure while other aspects of a cryptocurrency ecosystem, including exchanges and wallets, are not immune to the threat of hacking.
- Many experts believe that block chain and related technology will disrupt many industries, including finance and law.



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