

An Introduction to Cryptocurrency Investing

Time: 3x per week; 60-75 minute classes
Class size: 5-9 students
Date: Fall term (specific start date tbd)

Course Description:

The aim of this course is to equip students with the knowledge and wisdom needed to take full advantage of cryptocurrency and the financial tools it offers. Students will gain a major competitive advantage relative to their peers in navigating the financial world of the future. This course will be comprised of three modules; each module will consist of two weeks centered on a particular topic, and a third week focused on investing.

Sufficient attention will be paid to the underlying technology and major areas of innovation, to introducing students to the market and investing, to prudent investment strategy, and to safely using the financial tools of centralized and decentralized finance.

Most importantly, I want my students to understand that the market rewards temperance, prudence, and emotional maturity – virtues that will serve them well in college and beyond.

Two classes each week will consist of lecture and discussion; the third will usually be a hands-on *practicum*.

Your Instructor: Kyle Rusciano is CEO of the Ember Quill, a company dedicated to kindling the futures of its clients through SAT/ACT preparation and digital finance education. He received his BA in History from Yale University and his MA in Theology from the University of Durham in the UK. He has been an investor in commodities and digital commodities since 2013, and was the digital finance writer for Quiet Speculation from 2015-2019. He began learning about cryptocurrency in 2020 after his brother wrote a technical paper on Polkadot at UC Berkeley, and he began investing in the stock and crypto markets in January of 2021. His approach to the crypto and stock markets is one of long-term wealth generation and preservation.

Module I: Bitcoin

Bitcoin is king of the cryptocurrency asset class. In this module, we will learn about Bitcoin, the blockchain technology undergirding it, and its potential to affect governmental power and monetary policy. The goal of these first three weeks is to prepare students to cast reasoned judgment on the viability of Bitcoin to do what it purports to do and on the effects it may have.

Week 1: Bitcoin

- ❖ Introductory Lecture: On Self-Mastery
- ❖ Bitcoin and Blockchain: The Tech
- ✚ Storing Crypto: A Guide

Week 2: Bitcoin

- ❖ The Bull Thesis: Digital Gold & A Monetary Revolution
- ❖ The Bear Thesis: A Dwarven Trinket
- ✚ Exchanges: A Guide

Week 3: Investment Strategy I

- ❖ Theory of Lengthening Cycles: Contextualizing Bitcoin's Booms and Busts
- ❖ Prudent Approaches to Investing in this Asset Class

Module II: Base Layers and the Blockchain Trilemma

When Ethereum was created in 2015, there was hope that finance and the internet could undergo a revolution, a return of monetary power and agency back to individuals via decentralization. Reaching that goal has proven difficult because Ethereum's commitment to decentralization, security, and speed has led to prohibitively high transaction costs.

In this module, students will learn how to analyze and judge layer one blockchains through the lens of the Blockchain Trilemma – namely, that to achieve low transaction costs, some level of decentralization, security, or speed must be sacrificed. We will explore how Ethereum and competing blockchain projects are attempting to solve the trilemma, as well as how others skirt around it.

Week 4: The Blockchain Trilemma — Ethereum

- ❖ Ethereum: The Power of Smart Contracts
- ❖ Ethereum in the Shadow of the Blockchain Trilemma
- ✚ Lending: A Guide

Week 5: The Blockchain Trilemma — Ethereum's Competitors

- ❖ Decentralization as Hindrance: Solana, Fantom, Avalanche, & Luna
- ❖ Decentralization as Goal: Cardano
- ✚ Staking: A Guide

Week 6: Investment Strategy II: Good Info, Good Decisions

- ❖ Quantitative Data Tools: On-Chain Off-Chain
- ❖ How to Approach Media, Influencers, and Info Sources

Module III: Present and Future Applications

In this module, students will be exposed to, and think critically about, major ways that crypto is utilized today. Students will also learn how to use decentralized finance (“DeFi”) tools safely, effectively, and with an eye toward managing risk and reward.

Week 7: DeFi

- ❖ Finance with no Intermediary: The Geography of DeFi
- ❖ Stablecoins: Powering DeFi Ecosystems
- ✚ Metamask Demonstration
- ✚ DeFi Demonstration: A Guide to Providing Liquidity

Week 8: NFTs, Gaming, & the Metaverse

- ❖ Right-click Save? Rethinking Value and Ownership in a Digital Age
- ❖ Axie Infinity & Smooth Love Potion: A Case Study in Gaming Economy
- ✚ A Guide to NFT Marketplaces

Week 9: Investment Strategy III: Selling

- ❖ Preparing for Euphoria: Never Lose Perspective
- ❖ The Final Act: My Exit Strategy

Addenda:

- 1) Portfolio Disclosure & Financial Advice:
 - a. One of the major benefits of this course is that high school students and college freshmen will be receiving my counsel in class and seeing my portfolio as part of the course itself. One of the goals of The Ember Quill is to make digital finance education more accessible.
 - b. Students will not be pressured to invest in the projects/assets that I have invested in. I am not providing financial advice; the goal of this course is to give students the knowledge, wisdom, and know-how to make their own decisions.
- 2) Investment Allocation for Students:
 - a. There is a recommended, but not required, \$500 investment minimum for this course. This is to guarantee that each student will be able to experience investing, lending, staking, using a Dex, and blockchain gaming.
 - b. Students and their parents will fill out a form during the first two weeks of the course, indicating whether and how they want the student to receive his or her investment allocation.
- 3) Community
 - a. One major benefit of this class is that students will have the chance to forge friendships with others involved in this space, a network that will serve them well into the future.