

BITCOIN PRICE MOVEMENT BETWEEN FUTURE AND SPOT MARKETS

Ms. G.ARUTGEEVITHA M.Com(CA),(P hD)

Assitant Professor,Department of Commerce

THARUN.S, DINESH.S

Student Rathinam College of Arts & Science

ABSTRACT:

A crypto currency is a digital asset designed to function as a medium of exchange that use cryptography to protect transactions, restrict the creation of additional units, and verify asset transfers. Crypto-currencies are a type of digital currency, as well as a different type of currency and a virtual currency. As opposed to centralised electronic cash and financial institution systems, crypto currencies use distributed management. Every crypto currency's dispersed management is based on a block chain, which can be a public group activity information or a distributed ledger.

INTRODUCTION:

Bitcoin began as an experiment in the midst of the global financial crisis of 2008, with the goal of creating a far better financial system. Early on, cryptocurrencies acquired a shady reputation due to their association with black market transactions such as drug deals, ransomware payments, concealment, and evasion. Cryptocurrency has been labelled the most troublesome technology since the internet, as well as a massive Ponzi scheme.. The pundits say it's a speculative bubble, however that's merely a straightforward out for people who have did not realize the correct explanations. they need the deserves to raise the proper queries, however ultimately fail to spot the most reasons behind the invasive craving for cryptocurrency. Bitcoin and different Crypto plus square measure an rising new asset category experiencing rising as a essentially innovative new technology.

OBJECTIVES OF STUDY:

- Analysis is a monetary come performance.
- To investigate long-term and spent-value monetary behaviour.

SCOPE OF STUDY:

Cryptocurrency is a type of digital payment that is managed by a network of computers and is based on encryption. Some cryptocurrencies may qualify as securities depending on how investors expect to generate cash and how they're organised. If traders of those currencies support the value and go online to spread rumours, this might be considered fraud. Trying to figure out if a bubble exists is stressful. The only way to keep a bubble from bursting is for everyone to adopt. The first digital currency was Bitcoin strip-mined by many folks in numerous locations round the world. It had been Satoshi Nakamoto, Bitcoin's onymous creator, WHO designed its suburbanised system that anyone might participate in, however nobody might own.

REVIEW OF LITTERATURE:

Jeremy Clark (2020) Central banks around the world are evaluating the option of issuing a centrally banked digital currency (CBDC). There are a number of policy objectives attributed to offering a CBDC. Curiously, some of the stated objectives are contradictory. This confusion is a consequence of a very broad design landscape, which runs contrary to the conventional wisdom that suggests CBDC s can be broken into 2 or 4 main categories.

Vikas (2017) This systematic literature review examines cryptocurrencies (CCs) and Bitcoin. Cryptocurrency research has not gained much attention from Information Systems (IS) researchers and needs a more vivid discussion. Although, cryptocurrency research has not reached IS mainstream yet, there is massive potential for multifaceted research ranging. We argue that cryptocurrencies are an alternative payment method that may replace intermediaries.

Jeremy Clark (2020) Central banks from all across the world are evaluating the option of issuing a centrally banked digital currency (CBDC). There are a number of policy objectives attributed to offering a CBDC. Curiously, some of the stated objectives are contradictory. This confusion is a consequence of a very broad design landscape, which runs contrary to the conventional wisdom that suggests CBDC s can be broken into 2 or 4 main categories. In this paper, we'll look at, we systematically iterate through 8 key design decisions, most of which have 3 or more possible designs. Our design landscape is based on dozens of white papers and technical reports issued by central banks, international financial institutions, and technology firms.

Zhou (2017), a new adaption of the regression theorem is required to account for bitcoin's technological and unpredictable character. According to Zhou (2017), in order for the theorem to work, a medium of trade must already possess the requisite properties for a medium of exchange. Being able to set a price

and be accepted on the market Accepted both in terms of price and liquidity. On a market, there exist market elements. If the potential medium of exchange possesses these characteristics, It then points to a demand for it, a want that must exist before it can become a reality. By definition, a non-monetary demand is a medium of exchange. a means of communication. It may eventually lose its non-monetary demand, but it is still viable.

Date	Open	High	Low	Close	Volume	Median
1\01\2020	7194.89209	9553.125977	6914.996094	9350.529297	852872174496	10124.34
1\02\2020	9346.357422	10457.62695	8492.932617	8599.508789	1163376492768	10787.62
1\03\2020	8599.758789	9167.695313	4106.980957	6438.644531	1290442059648	11055.54
1\04\2020	6437.319336	9440.650391	6202.373535	8658.553711	1123613741264	11323.47
1\05\2020	8672.782227	9996.743164	8374.323242	9461.058594	1286368141507	11502.14
1\06\2020	9463.605469	10199.56543	8975.525391	9137.993164	650913318680	11680.82
1\07\2020	9145.985352	11415.86426	8977.015625	11323.4668	545813339109	12730.91
1\08\2020	11322.57031	12359.05664	11012.41504	11680.82031	708377092130	13781
1\09\2020	11679.31641	12067.08106	9916.493164	10787.61816	893852011704	16703.42
1\10\2020	10785.01074	14028.21387	10440.31152	13780.99512	747991403008	19625.84
1\11\2020	13780.99512	19749.26367	13243.16016	19625.83594	1093144913227	24313.78
1\12\2020	19633.76953	29244.87695	17619.5332	29001.7207	1212259707946	29001.72

Interpretation:

Thus, the above table shows the median price for bitcoin during the period of 2020. In the particular year the bitcoin price will be peak at the end of the year.

FINDINGS:

Based on above trends, the bitcoin price behaviour are very high in the past 5 years. Even though there may be some fluctuation in the middle of the year but at the end of the year it reaches the good returns. So, the end of the year is the best time to invest in the bitcoin.

As comparing the past and present data of the bitcoin from secondary data. Price behaviour of the bitcoin is best at the present times. Even, its new to India it has a better reach up in the past 5 years. The returns are considered as dollars \$.

In 2015 the price behaviour of the bitcoin was similar to the normal. It has low returns, low openings, low closing, normal volume because this was entirely new to India. Even though it has a good return at the end of the year.

By using the statistical tools (simple moving average and mean, median mode) we can calculate the accurate range of the bit coin price behaviour and its fluctuating returns. Using the line charts analysis, it was very easy to know the price range of the bitcoin returns in the year 2015.

SUGGESTION:

- Based on the above analysis crypto currency is good choice to invest as it gives a reasonable rate of profit for the investors.
- Bitcoin gives good amount of profit for the investors. Based on the historical data future can be predicted approximately as profitable invest for the investors.

CONCLUSION:

By using the statistical tools (simple moving average and mean, median mode) we can calculate the accurate range of the bitcoin price behavior and its fluctuating returns. Using the line charts analysis, it was very easy to know the price range of the bitcoin returns in the year 2015. In 2020 the price was unexpected ly very high Event hough there was a COVID-19 19 lockdown the price behaviour of the bitcoin was very good. Peoples are started investing on the bitcoin and gain more returns in the year 2020.

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