

Introduction to NFTs



Overview

In this lesson we will discuss:

- What NFTs are and how they work
- Why NFTs are valuable
- Potential NFTs
- NFT marketplaces

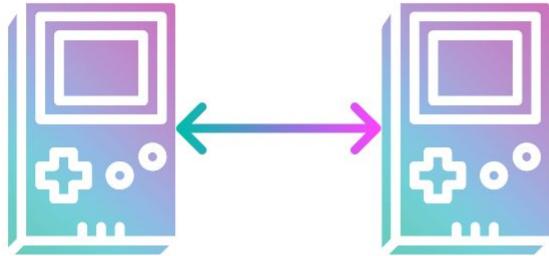


What is an NFT?

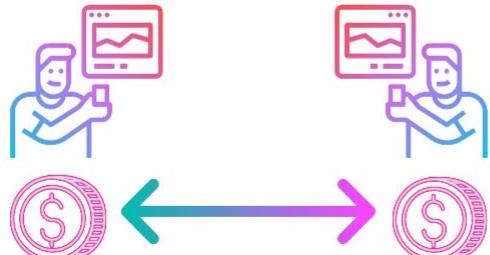
- NFTs are digital assets that can represent real world items such as art, music, and even event tickets.
- They can be used to represent ownership of unique items. There can only be one owner of an NFT at a time.
- NFTs are NOT cryptocurrencies. Although NFTs use the same technology as many cryptocurrencies such as Bitcoin and Ethereum, they serve a different purpose.
- NFT stands for non-fungible token. If something is fungible, it is considered replaceable. Cryptocurrencies are fungible, meaning that 1 Bitcoin will always equal 1 Bitcoin just like 1 USD will always equal 1 USD.
- A non-fungible item is irreplaceable and considered unique. Every NFT has its own value, and is not interchangeable with another NFT even if they are similar items.



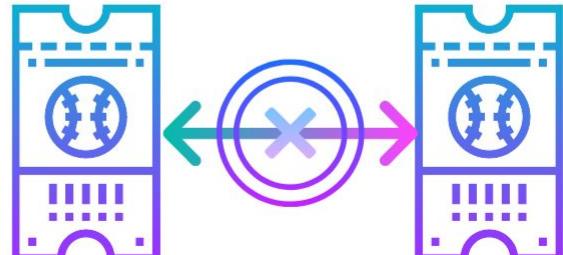
FUNGABILITY



FUNGIBLE



NON-FUNGIBLE



How do NFTs work?

- NFTs exist on a blockchain and use the same technology as many of your favorite cryptocurrencies.
- For the most part, NFTs exist mainly on the Ethereum blockchain but there are other blockchain networks that will soon offer the capability to support NFTs.
- An NFT is created or “minted” from digital objects that can represent physical or digital items.
- They are essentially digital collector’s items. Instead of buying or selling physical artwork or trading cards, digital files are transferred.



List of potential NFT items

- Art
- GIFs
- Video and sports highlights
- Collectibles
- Virtual avatars
- Video games and DLC content (skins)
- Tweets
- Designer clothing
- Music
- Tickets
- Real Estate





Tanay Jaipuria

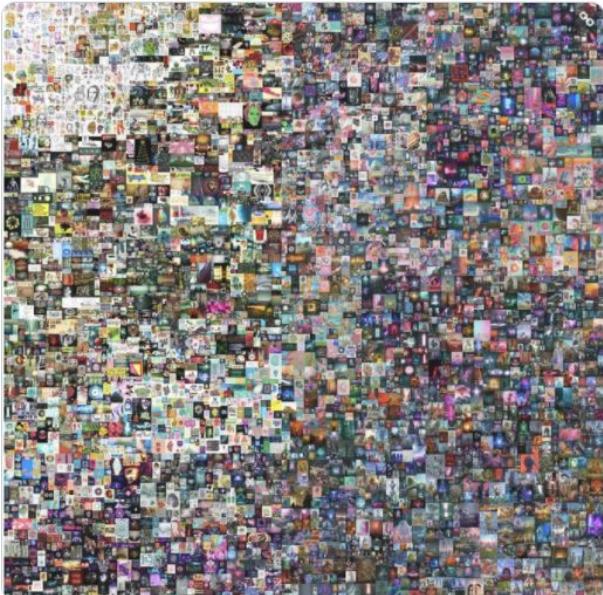
@tanayj



Digital artist Beeple posted a new work of art online every single day for 5000 days.

Those pieces have been brought together in one digital collage **EVERYDAYS: THE FIRST 5000 DAYS**, minted as an NFT and is being auctioned off by Christie's.

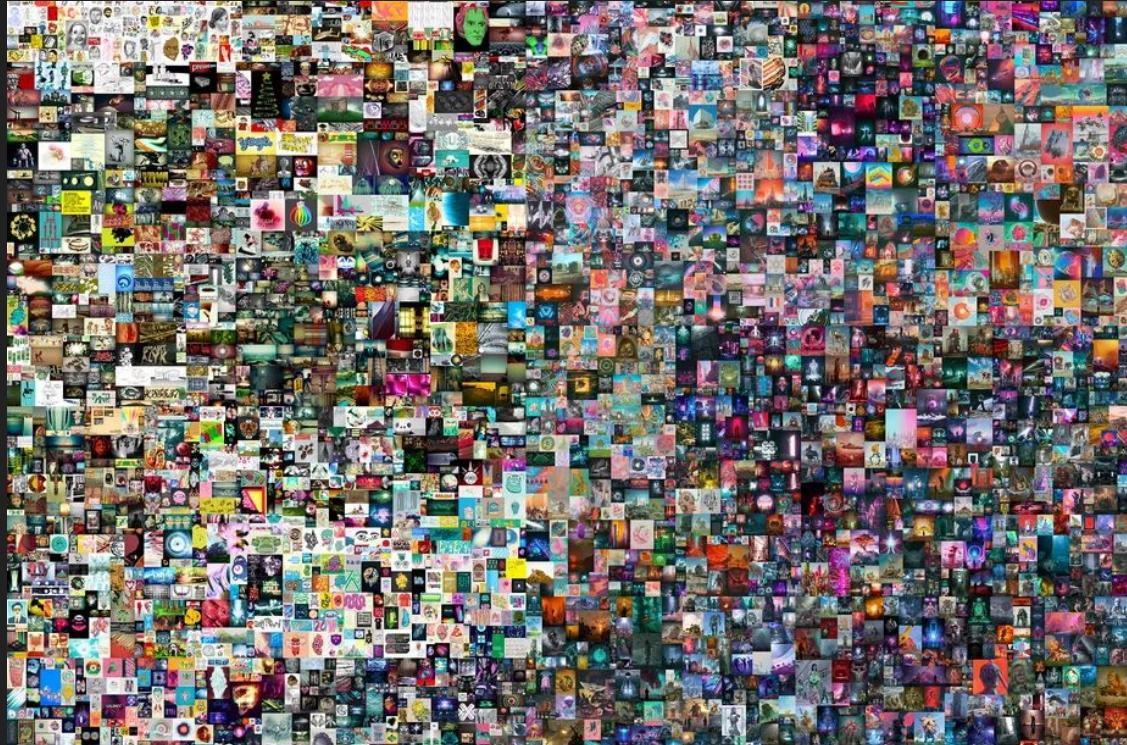
The current bid is \$3M



8:00 PM · Feb 28, 2021



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Someone just placed a 1,390 ETH (\$2 million) bid on
CryptoPunk #3100 ::

