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SAVINGS, CENTRAL BANKS AND VIRTUAL CURRENCY

Abstract:

Savings are a common part of our lives as well as part of significant economic theories. The idea to make savings in order to increase personal wealth appears many times in culture, but is in conflict with current economic reality, in the world of low central bank rates and increasing central bank's balance sheets. While central banks try to help economies, these facts lead to mistrust of some people in fiat currencies. Such people prefer using virtual currencies. Nevertheless, virtual currencies include several great risks, such as high volatility or many crashes of subjects that are part of virtual economy. Hard data shows, that there is no reason for panic regarding fiat currency.

Keywords:

Savings, central banks, virtual currency