

# H1 2026 in Review



## ◆ Performance

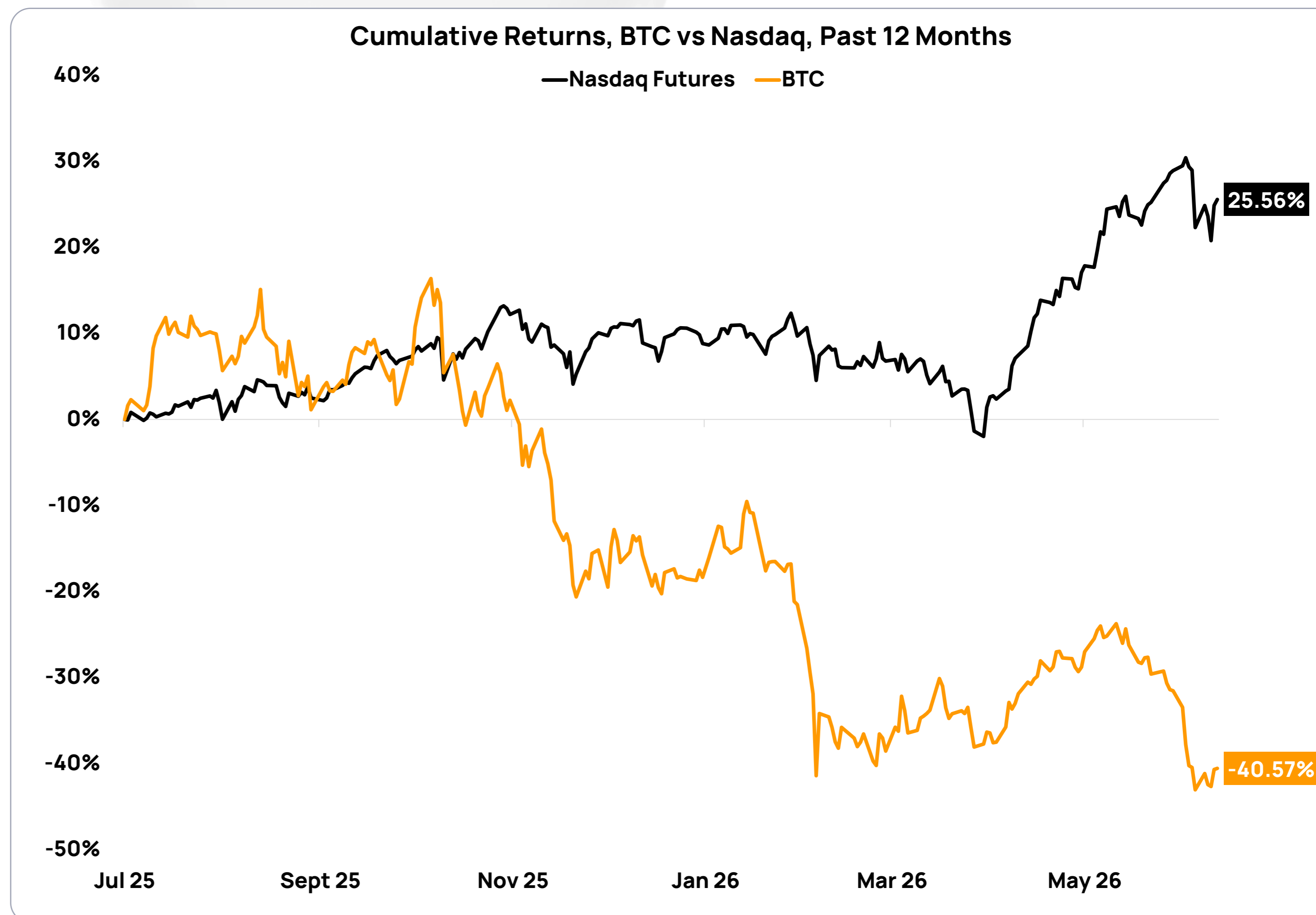
### A rough 9-month stretch

BTC faces yet another lengthy bear market.

Over the past 12 months, Nasdaq has gained a massive 25.5%, while BTC has collapsed by 40%. This is a stark contrast to the broad perception of BTC shining as a beta alternative to high environments.

#### An underperformance in four acts:

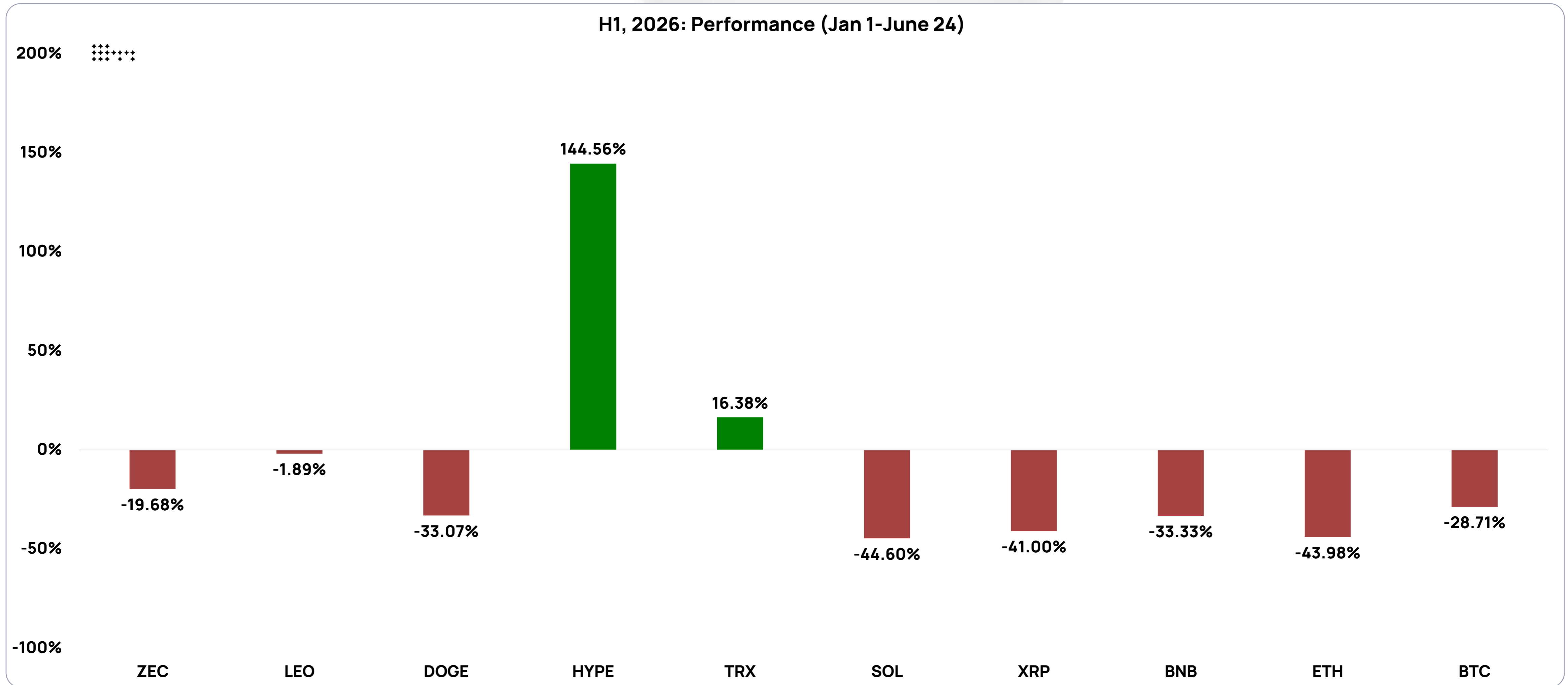
- Long-term holders selling in size.
- Leverage: Stability breeding instability. 10/10.
- War and global uncertainty, sluggish global markets.
- Self-reinforced underperformance. Rotation from weak momentum to strong momentum.



◆ Performance

# Almost every major got hammered in H1, 2026

Hype, an outlier in a sea of red



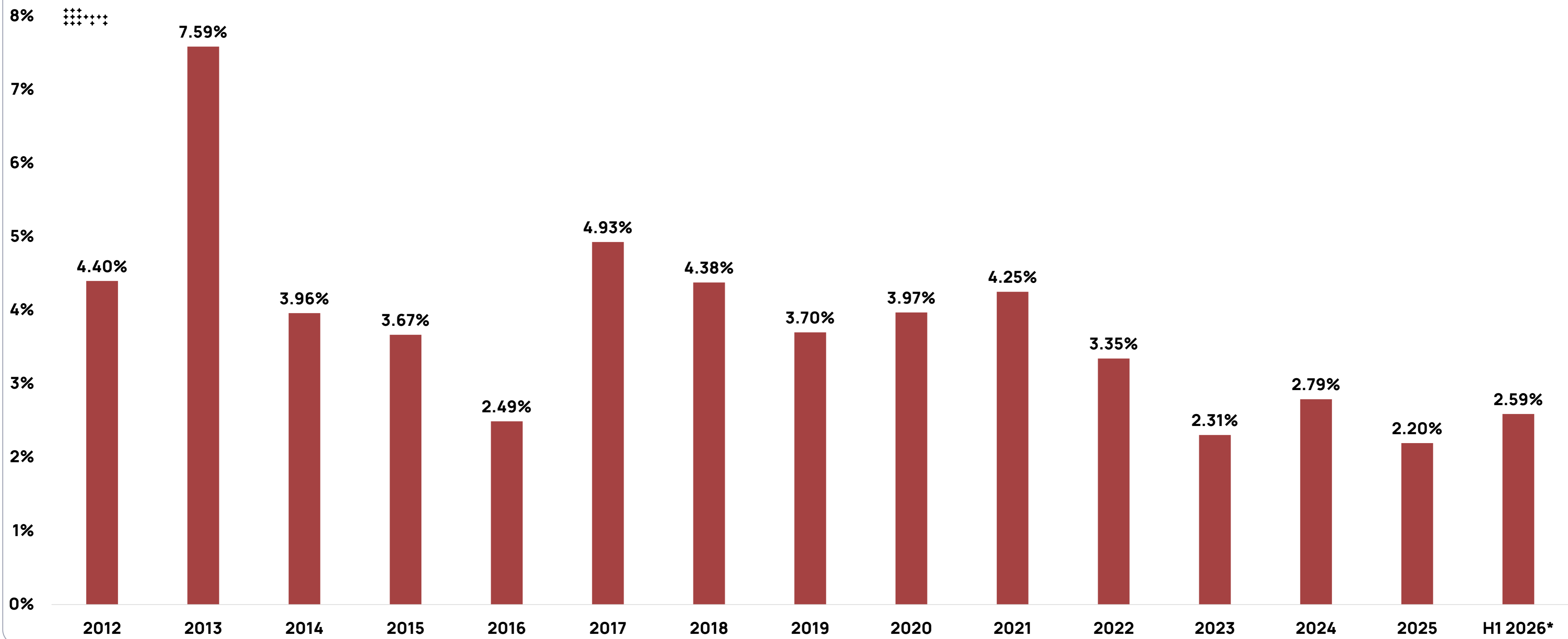
◆ Performance

# BTC volatility climbs modestly compared to last year

But maintains a clear downtrend since BTCs inception

### BTCUSD: Annual Daily Volatility

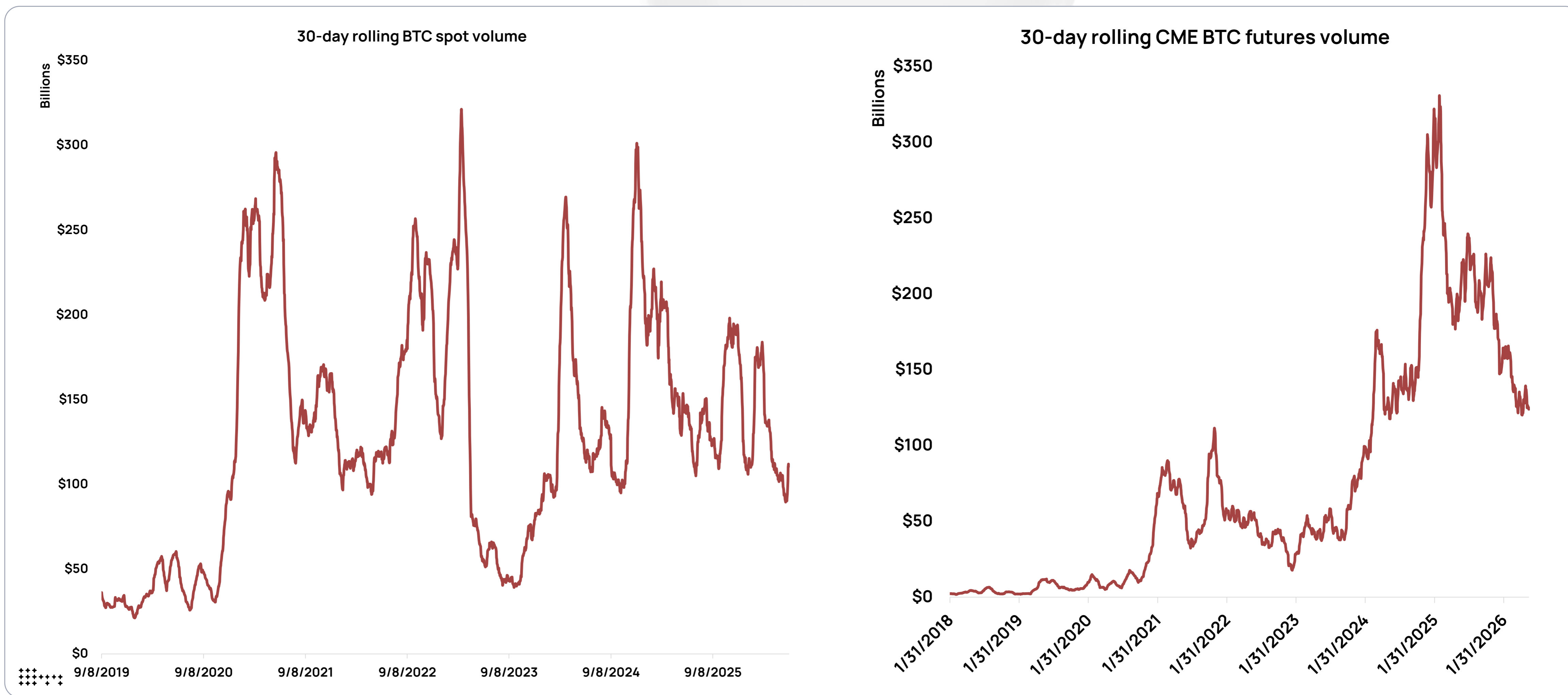
\*180d vol in 2026



◆ Lack of interest

# BTC has gradually become less and less actively traded

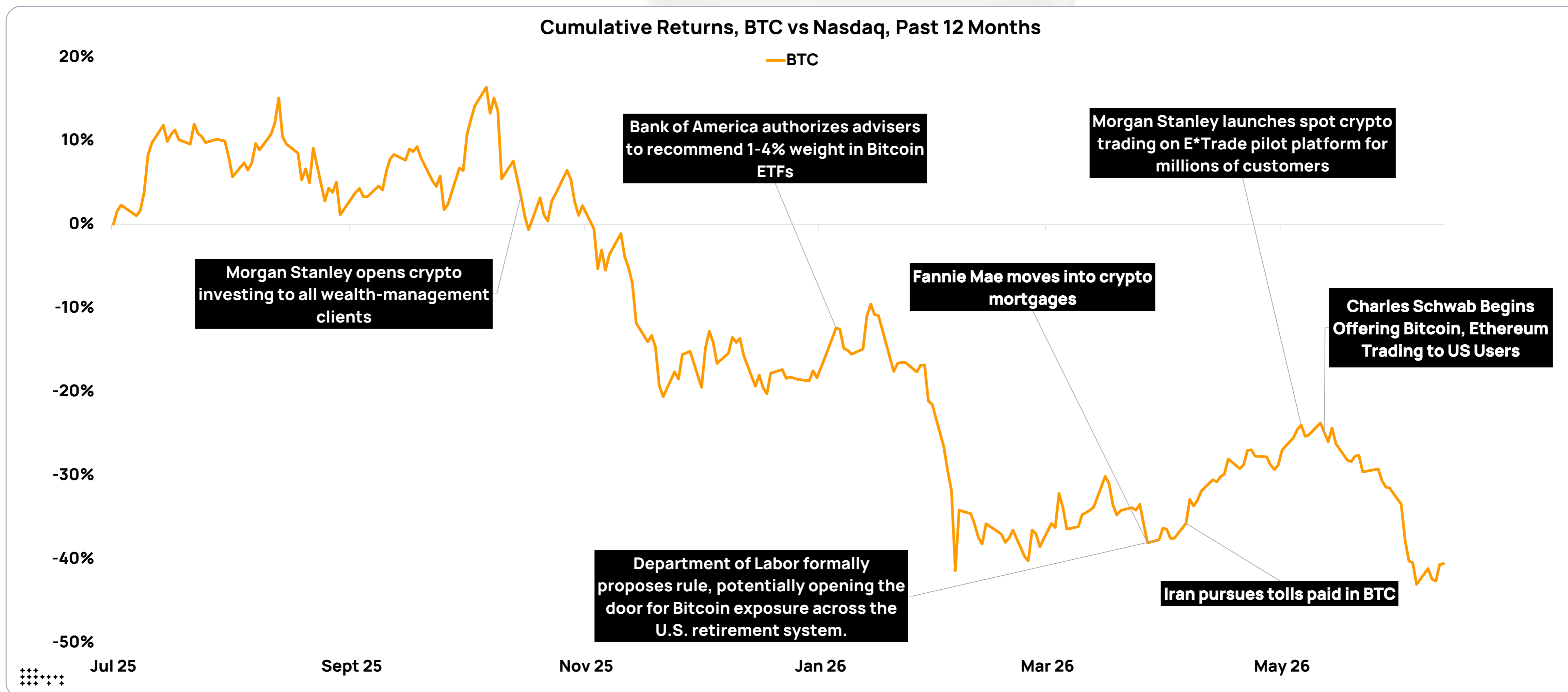
That increases the impact and sensitivity to any new marginal buyer or seller



◆ Performance

# A tale of two cities: The best of times and the worst of times

An asset fully detached from its fundamentals

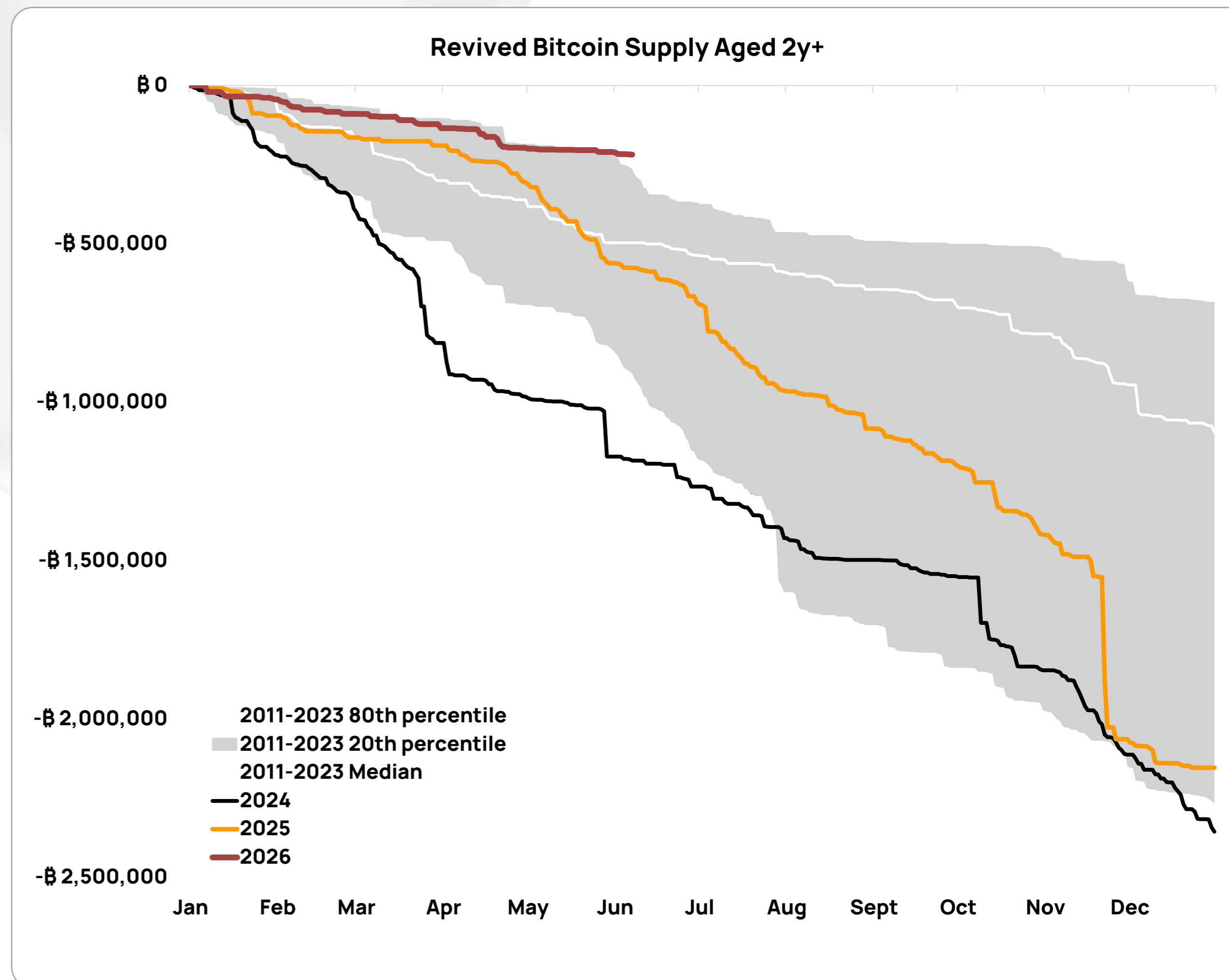


## ◆ Sales from within

# For years, the marginal seller was long-term bitcoin owners

In 2026, long term owners have returned to hodling.

- The relatively orderly BTC bull market of 2024 and 2025 was caused by a significant revival of old supply.
- In 2024 and 2025, ETFs and public companies absorbed massive amounts of BTC. Still, BTC exhibited a soft bull market in this period compared to past years.
- The soft gains stemmed from considerable distribution from long-time BTC holders. 2024 and 2025 were both outlier years in terms of revival of BTC supply aged 2 years or more.
- While 2026 has continued in Q4 2025's track of considerable weakness, the supply trend has eased. The supply revival of 2026 is also an outlier, albeit with the opposite connotation.
- I.e. the heavy selling in 2026 has not stemmed from OG profit takers, but rather, relatively freshly acquired coins being sold at a loss.

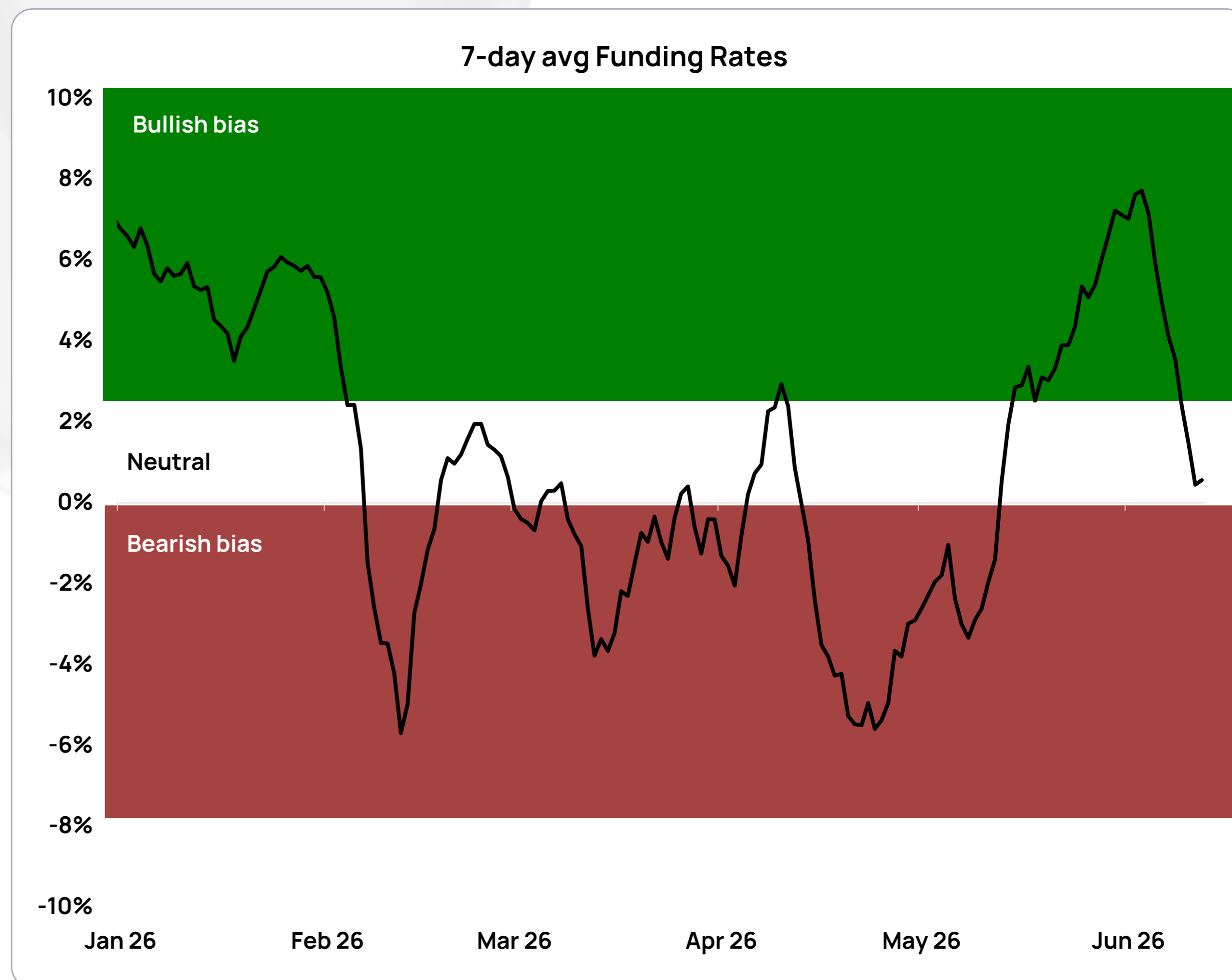


## ◆ Leveraged sales

For a period, the marginal seller used leverage

Speculators started shorting BTC. From this, BTC reversed higher

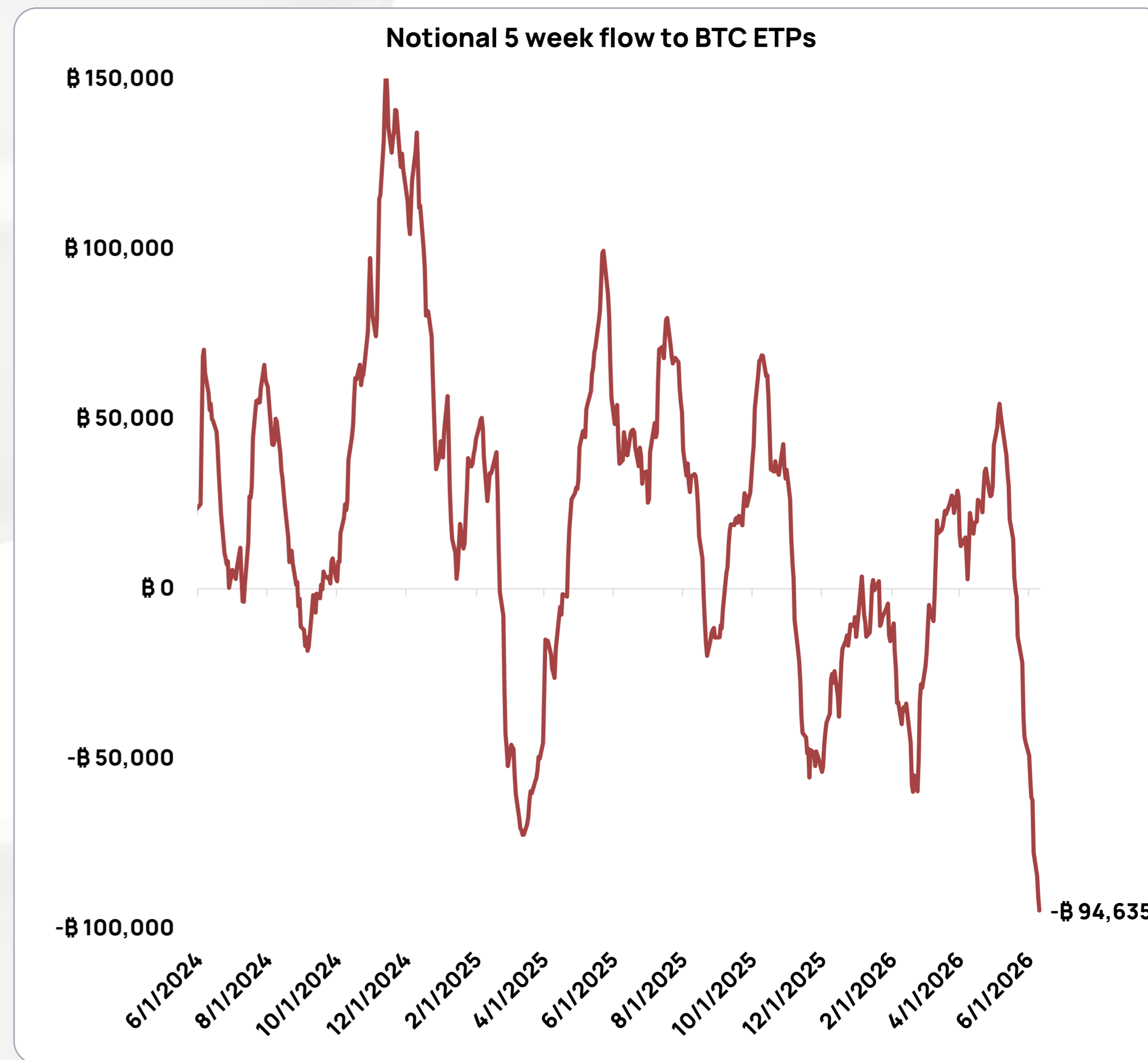
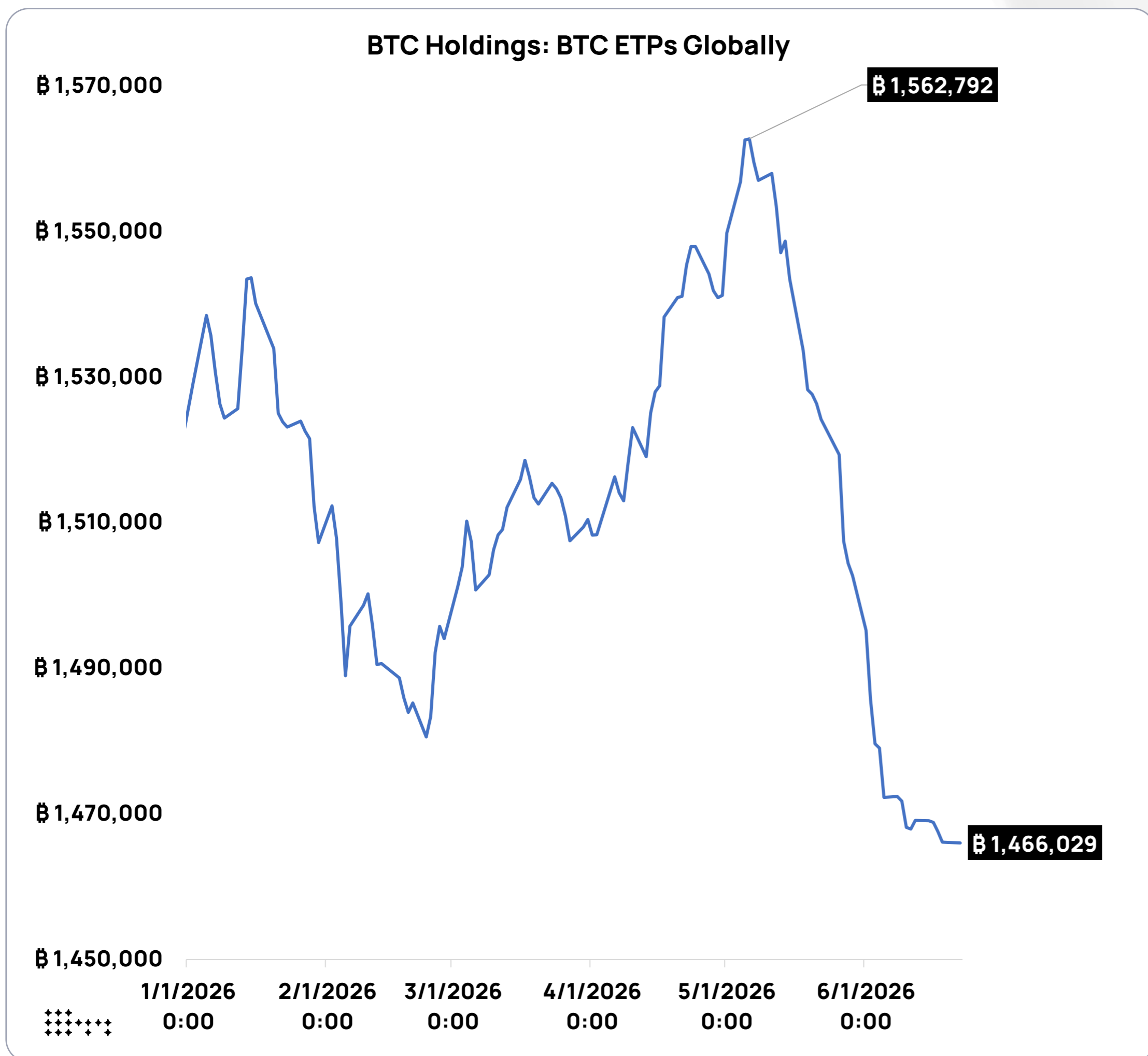
- Behaviorally, traders in BTC native derivatives have had a distinct bullish bias. Yields in BTC derivatives have therefore typically been strongly positive.
- 84% of all trading days between 2018 and 2025 saw positive yields. The average annualized yield in BTC derivatives in this period sat at 9.42%.
- 57% of all trading days in 2026 have seen positive yields. The average annualized yield in 2026 sat at 1.1%.
- 2026's yield pattern has been a clear anomaly, and has emerged from a crowding bearish bias. This set the stage for a strong BTC reversal in April.



◆ But, then a new seller emerged

## ETF owners started selling in size

The sales pressure from BTC ETFs has been uniquely large in the past month

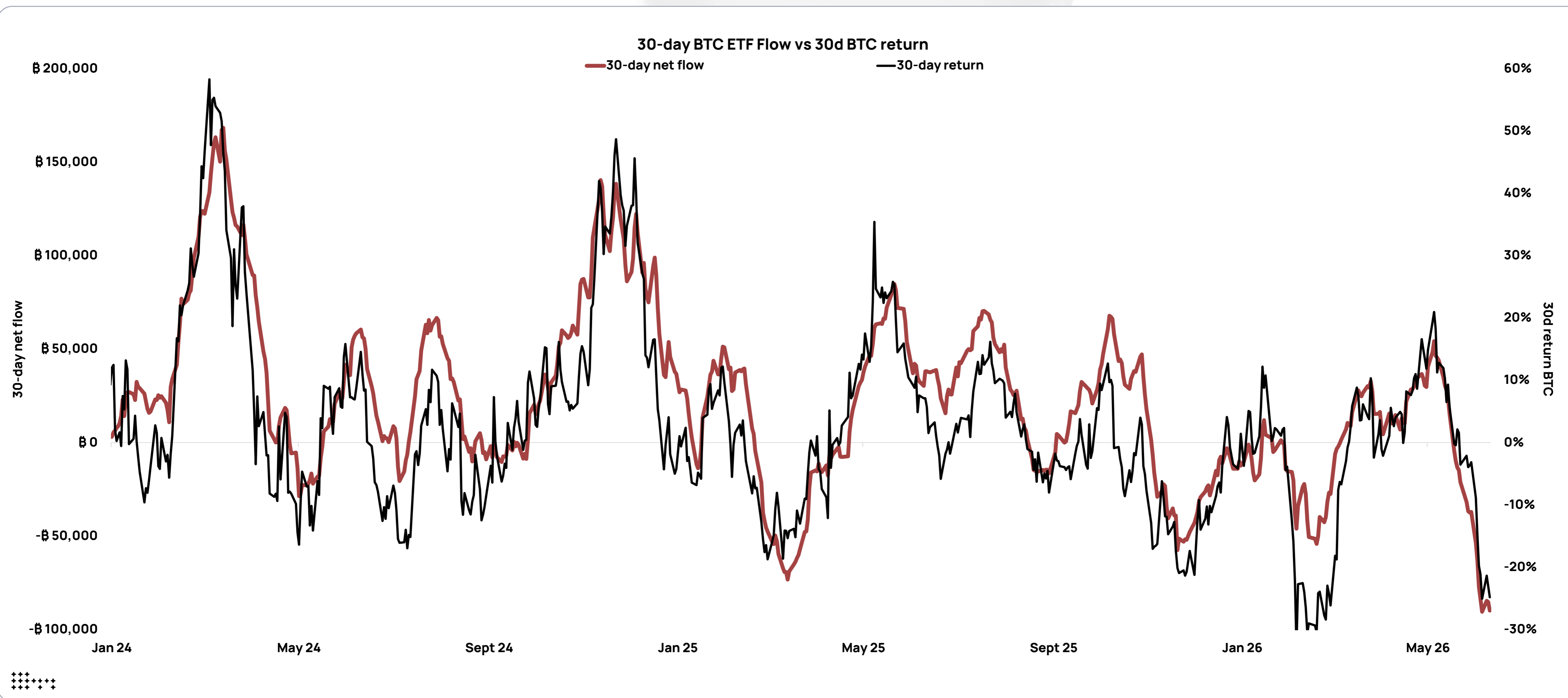




ETFs

# And in an inactive environment, large sellers have an abnormal impact

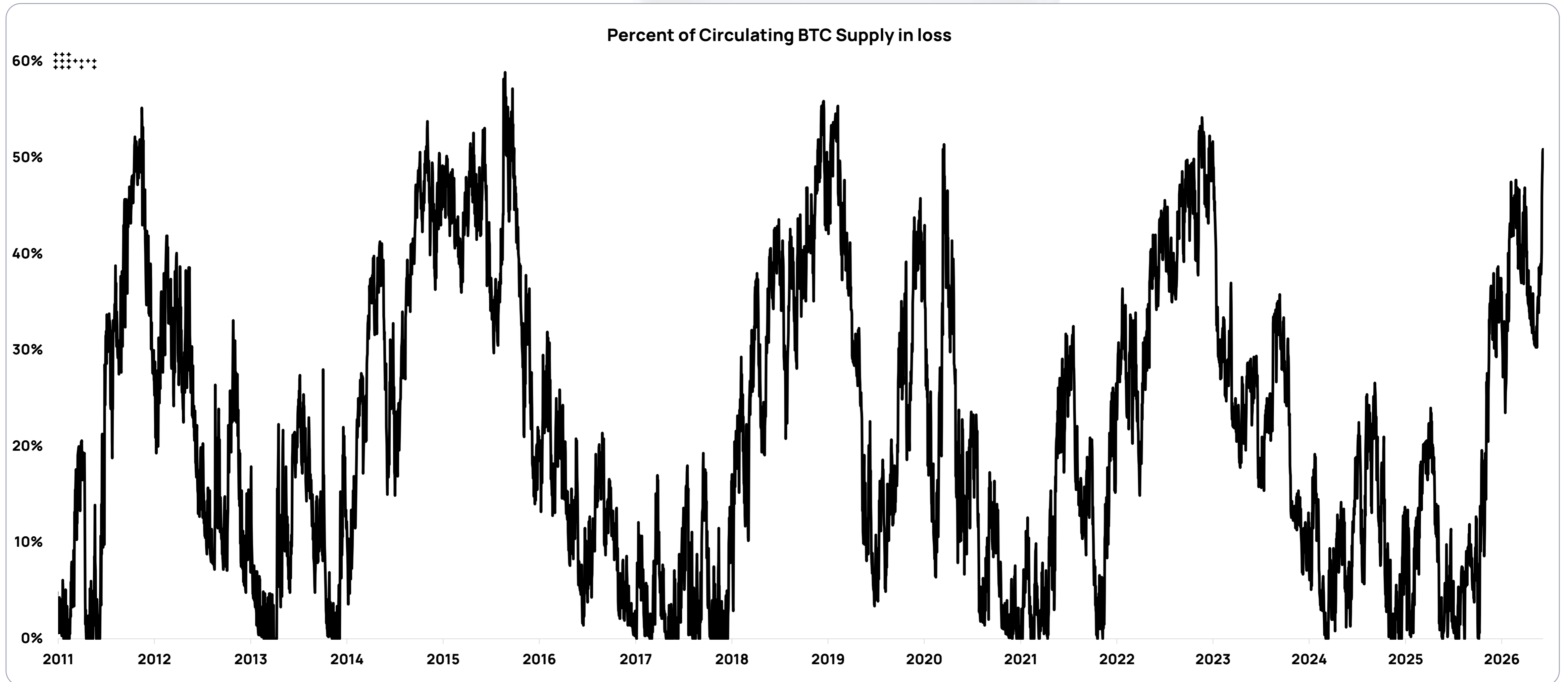
ETF flows and BTC returns goes hand in hand



✦ Signs of bottom

## 50% of supply held at loss

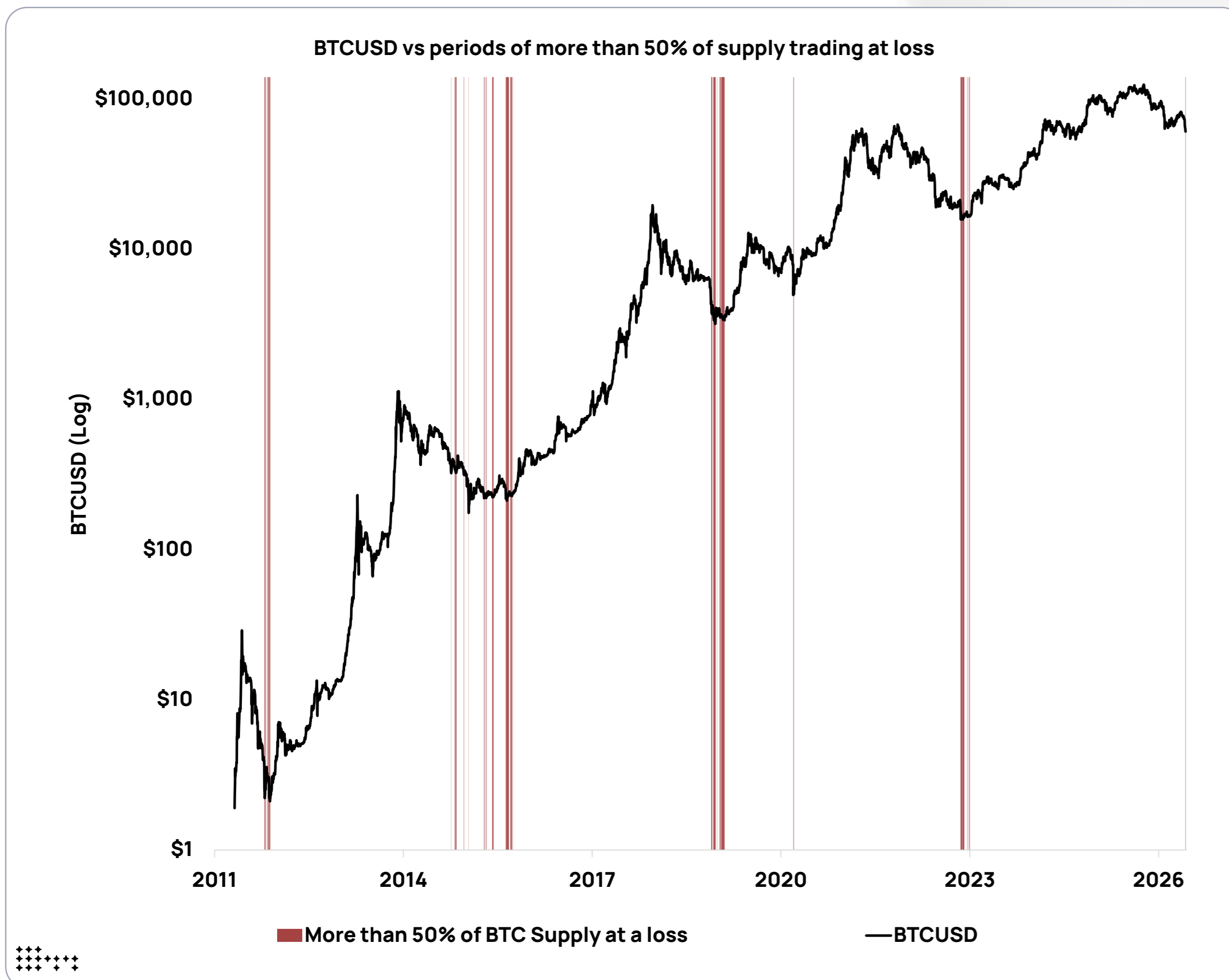
Bitcoin has traded at higher prices than today, 12% of its trading days since 2010. Yet, more than 50% of all BTC are held at a loss.



◆ Historically and opportune time to buy

BTC typically bottoms close to the first observation of 50% of the supply trading at a loss

And 1 year forward returns tends to be very solid



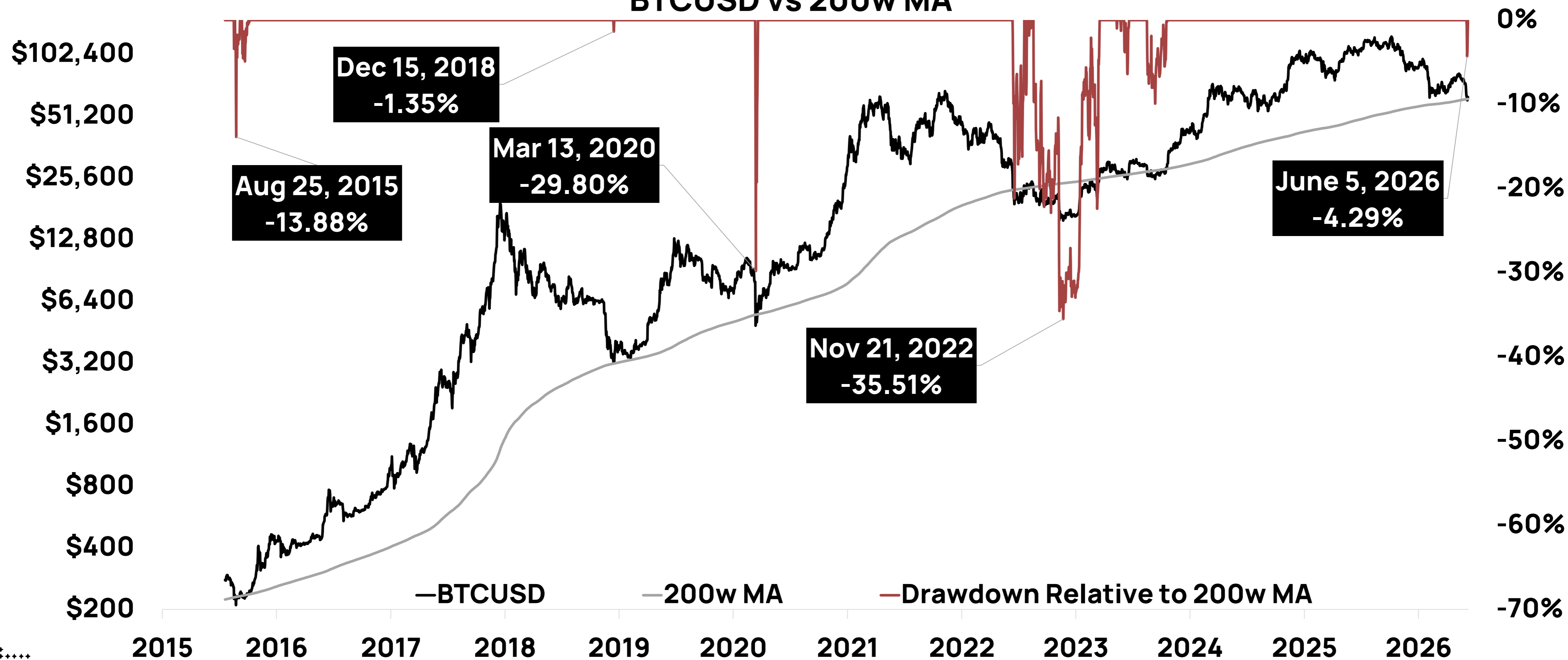
Year	2011	2014	2018	2022	2026
DO of more than 50% of supply sitting in loss	Oct 17, 2011	Oct 2, 2014	Nov 22, 2018	Nov 8, 2022	June 5, 2026
Days until cycle bottom	31	101	23	13	x
Remaining Drawdown After Supply at Loss Cross 50%	-18%	-46%	-26%	-15%	x
1y fwd return	359%	-25%	69%	93%	x

◆ Another rarity

## Bitcoin ends H1 2026 close to its 200w MA

Another rarity, with BTC proximity to the 200w MA marking the bottom in 2015, 2018 and 2020. In 2022 however, prices stayed below the 200w MA for more than a year.

### BTCUSD vs 200w MA



◆ Or are we in for a repeat?

The current drawdown offers a relatively similar trajectory to past 4-year cycles. May history repeat?

We still argue that a softer bull market (2024-25) should lead to a softer bear (substantially lower max drawdown than past cycles)

