

## CryptX Deep Dives — 11/16/25

From CJ Reichel

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### Key Topics:

- BTC Macro Cycle Overview & 2026 Expectations
  - Key Assets and Opportunities
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### Cycle View Takeaways

- While BTC and crypto equities are due for a bounce in the short term, we expect a bear market in 2026 based on historic cycles.
  - Based on cycle theory, we expect a macro low for BTC in Oct–Nov 2026 at a price of 65K to 75K.
  - Assets like CIFR, IREN, and ZEC should see mean reversion in the coming months and provide shorting opportunities once the 7-point trading checklist aligns with our macro view.
  - Maple Finance's **\$SYRUP** remains one of the most resilient DeFi assets, with total value locked increasing to \$4.7B.
  - The Dollar Currency Index should increase roughly 8–13% in 2026 based on historic midterm-election-year performance (2014, 2018, 2022).
  - I am prioritizing risk management and capital preservation until I find the next fat pitch.
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### Intro

This is my first weekly report for Sticky Trades and CryptX. I began writing weekly reports for myself on Sundays over the last three years as a retail trader. I find it helpful to look back on your perspective over time. In these reports, I will share my macro view of markets and provide trade updates to current and future positions every Sunday. I will post my entries and exits in the Telegram chat throughout the week and send out email/text alerts if anything changes.

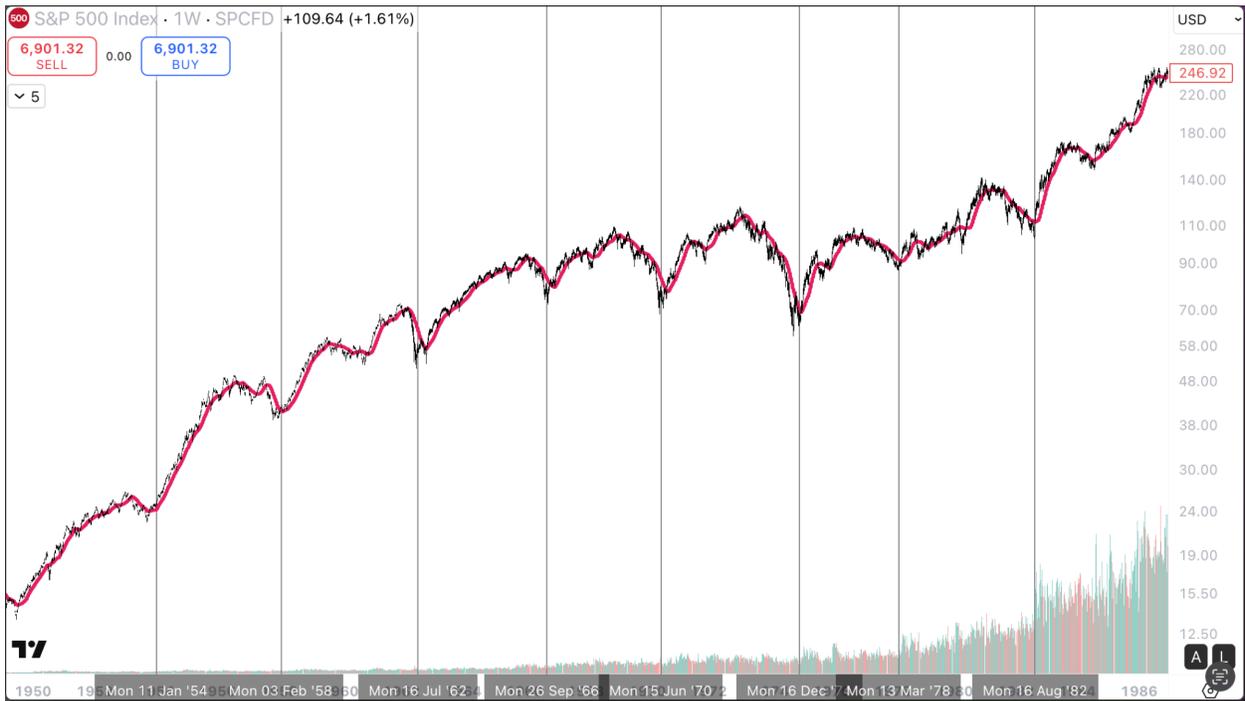
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## Setting the Stage: Macro Cycle Overview

Today I am going to describe the four-year cycle view when applied to Bitcoin. No one knows how the market will trade in 2026, and I am ready to adapt with the technicals. That said, the historic cycle view is what I have the most conviction in going into 2026.

People live in cycles, and these behaviors are reflected in markets. To ignore cycles is to say **“this time is different”** — the four most dangerous words in financial speculation.

Many assets experience four-year cycles. Below is a chart of the S&P 500 from 1954–1982. Macro cycle lows occurred roughly four years apart for a 28-year period.



Bitcoin has respected the four-year cycle since its inception. Since 2011, Bitcoin has entered **three-year bull markets followed by one-year bear markets**. As a result, Bitcoin has seen macro cycle lows occur roughly four years apart.



Bitcoin is about to finish a three-year expansionary bull market at the end of 2025. If history repeats, we should enter a bear market in 2026. Additionally, during each bear market, Bitcoin has retested the prior cycle's all-time high — a classic flip from previous resistance to new support.

Therefore, we can expect a four-year cycle low in Oct–Nov 2026 at a retest of the 2021 cycle high at **65–75K**. This is where I will make significant portfolio allocations to Bitcoin. Until then, I plan to trade opportunistically and preserve capital.

## NUPL & The Profit Cycle



In this week's member webinar, we discussed the **unrealized profit and loss (NUPL)** indicator. By using on-chain data, NUPL highlights unrealized gains and losses. During Bitcoin cycles, NUPL oscillates between overbought (euphoria) and oversold (capitulation).

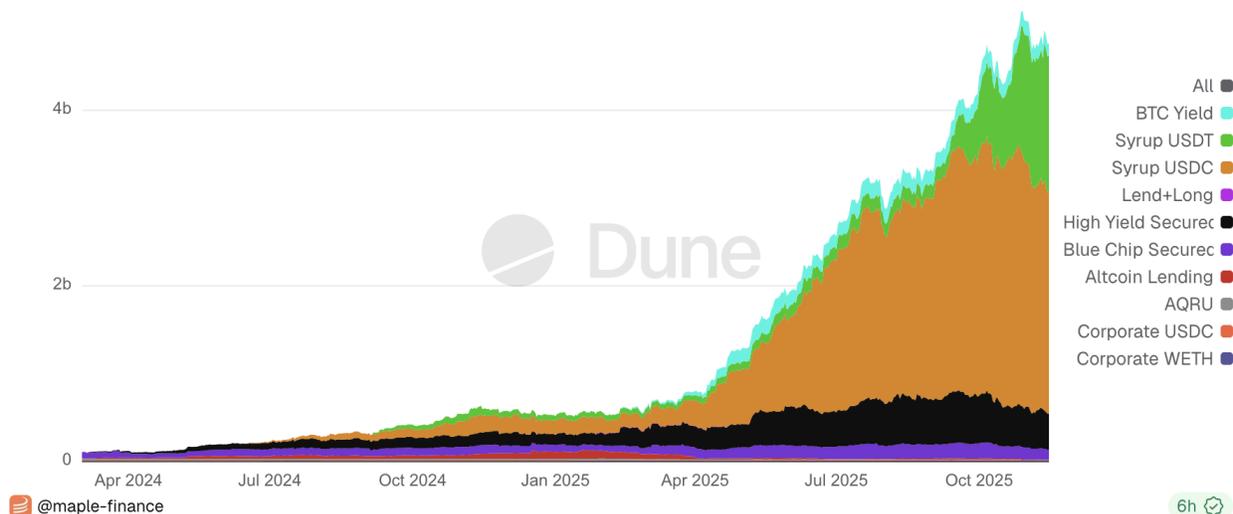
Even though Bitcoin never entered a euphoric phase this cycle, most market participants have been in significant profit since early 2024. For me, that's enough evidence to say there's over a 50% chance Bitcoin has topped for this cycle.

Based on these charts and cycle theory, I have not held Bitcoin since October. I decided that 1–2 months of potential upside wasn't worth risking three years of accumulated returns. Now my plan is to stay conservative until NUPL falls into the 'capitulation' zone — when the majority of participants show unrealized losses.

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## Maple Finance — Total Value Locked

Maple AUM by Day



While the cycle view remains bearish for 2026, certain crypto assets have provided immense value over the last two years. One such project is **Maple Finance**, a DeFi lender that has grown its AUM to over \$4.7B USD.

Interest earned on assets is now used to buy the **SYRUP** token from the open market. This mechanism is why SYRUP has been far more resilient than majors like Bitcoin and Ethereum.

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## Dollar Currency Index (DXY)

During midterm election years, we often see derisking and volatility in risk assets. As a result, the U.S. dollar historically appreciates while debasement-hedge assets like gold, silver, and Bitcoin decline.

I still believe the fundamentals of Bitcoin, gold, and silver are strong heading into 2027–2028 as QE effects compound. That said, **parabolic moves must be sold regardless of how great the fundamentals seem.**

Looking back over the last decade, the DXY rallied **13%+** during every midterm election year (2014, 2018, 2022). These years also coincided with derisking in crypto and equities.

As 2026 approaches, I want exposure to assets that perform well under those conditions. For now, **long DXY** appears to be one of the most contrarian and asymmetric trades.

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## Potential Trade Setups

There are currently no actionable setups based on my process — but some are close.

If I've learned anything trading crypto for a decade, it's this: **parabolic moves must be sold.**

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## ZEC



Zcash has increased over 2,000% this quarter and now sits at a market cap of \$10.58B. This move is not supported by increased network usage or adoption.

I have not shorted ZEC yet — I'm waiting for a setup when the 7-point technical checklist is hit and futures funding rates return to neutral.

Right now funding is negative, meaning there are more shorts than longs. Once those shorts get squeezed out, I don't know who will be left to buy.

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## Conclusion / Open Positions

From a short-term perspective, Bitcoin and crypto equities are oversold and due for a bounce. However, buying new lows today is the same as shorting into new all-time highs — something I want to avoid as the long-term cycle rolls toward 2026.

I remain cautious with any upside targets and will focus on capital preservation into Q4.

**No short-term positions currently.**

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### Side Note on [Commitment of Traders \(COT\) Data](#)

Each Friday, the CFTC releases a report on open futures positions. After the Hunt Brothers attempted to corner silver, the CFTC mandated that large futures traders publicly report positions to prevent market manipulation.

The CFTC breaks traders into three categories:

**Large Speculators** — institutions with over \$100M

**Commercial Hedgers** — e.g., farmers hedging crops, miners hedging metal production

**Small Speculators (Retail)** — derived from remaining open interest

Fading both large and small specs has historically been one of the best ways to find crowded trades with 3:1 return-to-risk profiles.

I use an oscillator to index this data over a trailing month — and it's 50% of my trading process. However, due to the government shutdown, the COT report has been delayed, and we likely need ~1 month to re-index the data. Without it, conviction in my system is lower than usual.

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Here's an example of Ethereum's COT data before the shutdown.  
Notice the last update was **the week of September 22nd**.



The COT oscillator ranges from 0–100 based on how aggressively large specs (blue) and commercials (red) have been buying or selling over the last month. I take a **contrarian approach** and do the opposite of large specs when they reach extremes (0 or 100).

Near the recent high in Ethereum, large specs were **max long (100)**.

In theory — who's left to buy if they're already max long?

If those traders are forced to cover, we get a potential short setup with a 3:1 return-to-risk.

That Ethereum short is a textbook example.

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When trading, there are three elements I optimize:

1. Win percentage
2. Return-on-risk
3. % risk per trade

I risk **1% per trade**, the 7-pt checklist improves win rate, and fading the majority improves return-on-risk. I'll expand on this further once we have several more weeks of indexed data.