



## CryptX Deep Dives — 3/1/26

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### Brief:

- ❖ US and Israeli strikes on Iran are creating geopolitical uncertainty.
  - ❖ Oil has risen over the last month and will likely trend higher if conflicts escalate.
  - ❖ BTC historically finds a bottom in late Feb and rallies into early March during every midterm election year.
  - ❖ BTC's initial reaction to the strikes was bullish.
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## Bitcoin's Technical Highlights



### BTC 1D - 7pt Trading Checklist

Bitcoin is still chopping around in a new range. Price is near closing above the 20d SMA and the CCI is beginning to pivot higher from oversold territory. I don't have a huge bias here, but I am going to lean bullish based on the historical performance and the initial bullish reaction following the Iran attack.

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## Bitcoin's Higher Timeframe: The Bigger Picture in 2026



### BTC 1w Chart

Overall, Bitcoin is still in a bear market phase of its macro trend (indicated by the red background color). However, there's reason to be optimistic in the very short term. In each bear market midterm election year, Bitcoin found a low in mid to late February before rallying into the first and second weeks of March. This happened in each prior bear market cycle. It doesn't have to happen again, but it wouldn't surprise me if it did.

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## Bitcoin Historic Performance in Midterm Years



### BTC Averages in Midterm Years (2014, 2018, 2022)

When comparing historic performance in similar circumstances, Bitcoin has a tendency to form a local bottom in mid to late Feb before falling further into late March. It is also notable that late March is when many assets like the Nasdaq100 have a historic pattern of topping in early Q2. Perhaps Bitcoin and risk assets have a small window of bullish price action before facing more historical headwinds at the start of Q2.

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## Another Look at Midterm Year Performance



If BTC follows historic midterm year performance, we should expect a small rally to possibly gap fill targets around 72-75k. However, the average peak of the late Q1 midterm rally is March 3rd. So we're looking at only a few days of bullish price action before another potential macro peak before further declines into late Q1 into Q2. I am looking at assets like \$SETH and \$SBIT for potential shorting vehicles for Bitcoin and Ethereum. My bear market targets for Oct 2026:

Ethereum: 650-750

Bitcoin: 35-40k

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## Comparing Geopolitical Conflicts



It's a bit eerie, our four year cycle approach in Bitcoin is repeating with similar geopolitical conflicts. Almost four years after the Ukraine invasion, we are now witnessing another geopolitical event on a scale we haven't seen since the Russia invasion. On Feb 24th 2022, we saw a local low in BTC and a rally into late March. On Feb 24th 2026, we saw a local low with a subsequent conflict beginning on Feb 28th. Will this historical 'buy the invasion' rally succeed? Only time will tell.



## **A Note on Bitcoin Mining Stocks**

This week we published our first edition of CryptX Research covering a company profile on Riot Platforms. We selected Riot because of its recent pivot from a purely BTC miner to an AI infrastructure leasing company.

Even at the most optimistic estimates, revenue from infrastructure leasing is projected to reach 100m annually at 2GW compared to 280m annually from mining at a BTC price of 125k.

We've concluded AI infrastructure leasing, in its current state, does not replace mining upside for Riot. It potentially stabilizes earnings during unprofitable mining environments. The estimated cost of production for one Bitcoin is roughly 89,000 usd. With a price below these levels, Riot can pivot to AI infrastructure leasing until Bitcoin mining becomes economical.

In our next research piece, we will explore which Bitcoin miner is positioned the strongest from a fundamental risk-adjusted return perspective. We will get into the numbers and potential risk factors of each. But as of now, IREN is ahead of everyone.

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## **Conclusion: Bringing it all together**

Bitcoin continues to be a difficult trade with chop claiming traders on both sides. However, there is a historic precedence of bullish price action through the first couple weeks of March. Once this period resolves, I will look to short more aggressively into May and June using \$SETH and \$SBIT. The final downside target for BTC remains at 35-40k with Ethereum's final bear market target at 700.

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