PERSPECTIVES

Bitcoin Turns 18. What Is It Now?

It was pitched as electronic cash, then digital gold, then a hedge against almost everything. Now a lot of it sits in brokerage accounts under a Nasdaq ticker. Some data, some history, and a few questions I can't answer yet.

Leandro Perez · October 27, 2026

Windows used. War period: February 27 to October 23, 2026 (weekly). Full IBIT history: January 2024 to October 23, 2026 (weekly) or October 27, 2026 (daily). Trailing year for bitcoin itself: October 27, 2025 to October 26, 2026. ETF figures use adjusted closing prices; bitcoin prices are spot BTC-USD daily closes; oil is the weekly average of EIA WTI spot prices; yields are from the Federal Reserve and Cboe. The calculations are mine and are laid out in the notes.

This Saturday, October 31, the bitcoin white paper turns 18. Eighteen is when you're legally an adult and still not sure what you want to be. Bitcoin is about there.

This year has been rough on markets. The U.S. and Israel struck Iran on February 28, oil went from $67 a barrel to over $100, headline inflation climbed back to 3.7%, and the 10-year Treasury yield hit 5.00%, a full point above where it was before the strikes.[1] If you had described 2026 to a bitcoin bull in 2021, he would have called it the perfect setup.

How bitcoin did depends on the window you pick. From the last close before the war (Friday, February 27) through last Friday, BlackRock's bitcoin ETF (IBIT) is up 23.6%, ahead of the Nasdaq-100 and the S&P 500, while gold is down 24%.[2] Nearly all of that gain came in a single week in August. Over the trailing year, bitcoin itself is down 30%, and it sits about 36% below its October 2025 record.[3] Those numbers don't contradict each other. They cover different windows, and with bitcoin the window does a lot of the work.

I don't have a verdict, and I'm not trying to reach one. What I've done is put the data next to the stories people tell about bitcoin to see which ones still hold up. Some of what I found cut against what I expected going in.

THE NUMBERS I KEEP COMING BACK TO

Bitcoin, Oct 26 close	**~$80,000**	36% below the Oct 6, 2025 record close of $124,753
Bitcoin, trailing year	**−29.9%**	Oct 27, 2025 to Oct 26, 2026; QQQ +13.9% over the same year
IBIT since the last pre-war close	**+23.6%**	QQQ +16.4%, SPY +11.6%, GLD −24.2% (Feb 27 to Oct 23)
Same period, minus the week of Aug 17	**+0.8%** LP	That one week returned +22.6%
10-year Treasury yield, Oct 26	**5.00%**	+103 bp since Feb 27; TIPS yield +94 bp, breakeven +9 bp
CPI, September 2026	**3.7%**	Up from 2.4% in February
IBIT on QQQ's 20 worst days since Jan 2024	**Fell on 17**	Average −3.5% on those days LP
Held by U.S. spot ETFs and Strategy	**~2.15M**	About 10.7% of everything issued LP
Most-cited estimate of lost coins	**2.8M–3.8M**	An estimate, not a count (Chainalysis, 2017)

Sources in the notes. LP LP Research calculation.

Electronic cash, then gold, then everything

The white paper is nine pages long. Its abstract opens with "a purely peer-to-peer version of electronic cash," and the problem it solves is double-spending: how to send digital money straight to someone without a bank in the middle keeping score. It's blunt about why that matters: "the main benefits are lost if a trusted third party is still required."[4]

What it doesn't talk about is investing. There's nothing about a store of value, a hedge or a portfolio. The word "gold" shows up once, as an analogy for how new coins get mined. It also never mentions 21 million. The paper only says that once "a predetermined number of coins" are in circulation, miners can live on transaction fees. It even describes new coins being added at a constant rate, like gold coming out of the ground, which isn't how the halving schedule ended up working.[4]

The number showed up about two months later. On January 8, 2009, announcing the first version of the software to a cryptography mailing list, Satoshi wrote: "Total circulation will be 21,000,000 coins," with new issuance cut in half every four years.[5] The most famous number in bitcoin came from an email, not the paper. From there, the story kept getting bigger.

Date	Who	What was said or done
Oct 31, 2008	**Satoshi Nakamoto**	White paper: "a purely peer-to-peer version of electronic cash"[4]
Jan 8, 2009	**Satoshi Nakamoto**	"Total circulation will be 21,000,000 coins"[5]
Sep 17, 2015	**CFTC**	Finds that bitcoin is a commodity under the Commodity Exchange Act[6]
May 7, 2020	**Paul Tudor Jones** Founder, Tudor Investment Corp.	On picking a store of value against money printing: "If I am forced to forecast, my bet is it will be bitcoin"[7]
Nov 9, 2020	**Stanley Druckenmiller** Founder, Duquesne Capital	"if the gold bet works, the bitcoin bet will probably work better"[8]
Jan 15, 2021	**Michael Saylor** Then CEO, MicroStrategy (now Strategy)	Bitcoin is "the newest institutional safe-haven asset"[9]
Jun 27, 2021	**Nassim Nicholas Taleb** Author, former options trader	Paper arguing bitcoin fails as a currency, a store of value and an inflation hedge[10]
Nov 3, 2023	**Cathie Wood** Founder and CEO, ARK Invest	"Bitcoin is a hedge against both inflation and deflation"[11]
Jan 10, 2024	**SEC**	Approves spot bitcoin ETFs; trading starts the next day[12]
Nov 19, 2024	**Nasdaq**	Options on IBIT begin trading[13]
Oct 6, 2025	**The market**	Record close: $124,753[3]
Feb 28, 2026	**United States, Israel**	Strikes on Iran. The real-world stress test begins[1]

To be fair to the people on that list, they weren't all saying the same thing. Druckenmiller said plainly that bitcoin was "thinner and more illiquid and has a lot more beta to it" than gold.[8] Tudor Jones called it a forecast and framed it as owning "the fastest horse."[7] Saylor's company and Wood's firm both have large financial stakes in bitcoin.

Taleb went the other way, and his paper is useful even if you don't buy his conclusions. It separates four things that often get lumped together: the technology working, the price rising, the coin being used as money, and the price protecting a portfolio. Bitcoin can pass one test and fail another. On the last one, his bar is the one I'd use: a hedge has to work in the bad states of the world, and in March 2020 bitcoin fell further than the stock market.[10]

But stack the claims on top of each other and you get an asset that's supposed to be cash, gold, an inflation hedge, a deflation hedge and a safe haven, depending on who's talking and what the price did that month. The network still works the way it did in 2009. What changed is what people say it's for.

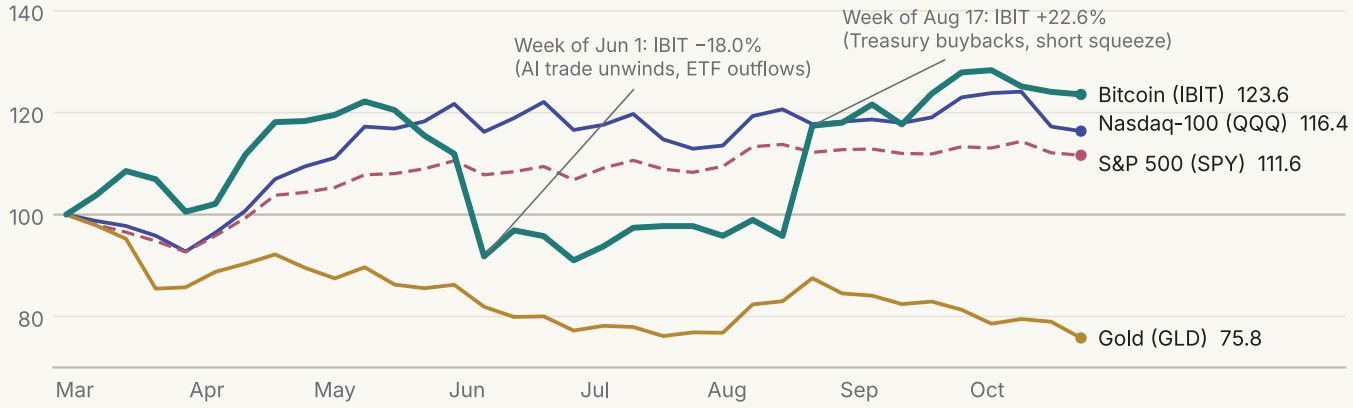
> OPEN QUESTION
> *If a thesis can stretch to explain whatever the price did, at what point does it stop being a thesis?*

The perfect storm, and one week in August

I indexed IBIT, QQQ, SPY and GLD to 100 at the last close before the strikes, Friday, February 27, and followed them week by week through October 23.[2]

Exhibit 1. Bitcoin finished the war period ahead. It needed one week to get there.

Weekly closes indexed to 100 on Feb 27, 2026, the last close before the strikes on Iran. Adjusted prices, through Oct 23, 2026.



Source: Yahoo Finance; LP Research calculations.

On the endpoints, bitcoin wins: IBIT finished at 123.6, QQQ at 116.4, SPY at 111.6 and gold at 75.8. Look only at those and you'd say the hedge worked.

The path was a lot messier. By late June, IBIT was 9% below its pre-war level, even though oil was still above where it started. The week of June 1 alone, it fell 18.0%. About $1 billion left U.S. spot bitcoin ETFs that week and more than $1.5 billion of leveraged crypto positions were wiped out in 24 hours, per SoSoValue and CoinGlass data reported by CoinDesk, and coverage tied the move to the AI trade unwinding.[14]

Then, the week of August 17, IBIT jumped 22.6%. On Wednesday, August 19, the Treasury said it would at least double its buybacks of long-dated bonds,[15] and about $2.5 billion of bitcoin shorts were liquidated over three days (CoinGlass data cited by Axios).[16] Take that one week out and IBIT's gain since the war started drops from 23.6% to 0.8%.[2]

You can read August two ways: the debasement trade working as advertised, with the government leaning against higher yields and the asset built for money printing taking off, or a crowded short getting squeezed. It was probably some of both, and one week can't tell you which mattered more.

The bigger surprise for me was gold. The original safe haven fell 24% while bitcoin rose. Before the war it was the reverse: from IBIT's first weekly close on January 12, 2024 to the pre-war close, GLD gained 155% and IBIT 49%.[2] If 2024 and 2025 were the debasement trade, gold won it. The idea that bitcoin is just gold with more beta hasn't held up in either direction.

Part of the explanation may be in the bond market. Since February 27, the 10-year yield is up 103 basis points, from 3.97% to 5.00%. Nearly all of that came from real yields: the 10-year TIPS yield rose 94 basis points, while 10-year breakeven inflation moved just 9.[17] Rising real rates usually hurt assets that pay nothing, and gold took the hit. Bitcoin, which also pays nothing, mostly didn't, at least over this window.

The academic work is less generous than my chart. A study in *Economics Letters* looked at daily returns around the late-February escalation and concluded that bitcoin "offers no robust protection" against global equity stress. Oil was the clearest short-run hedge, because its payoff is tied directly to the war's supply risk.[18] IBIT did rise in the first two weeks while stocks fell, so this is a case where the statistics and the eyeball test disagree.

> **OPEN QUESTION**
> *If nearly all of bitcoin's outperformance came in one week, set off by a Treasury announcement, was it hedging the war or just reacting to liquidity?*

Just another layer of the tech trade?

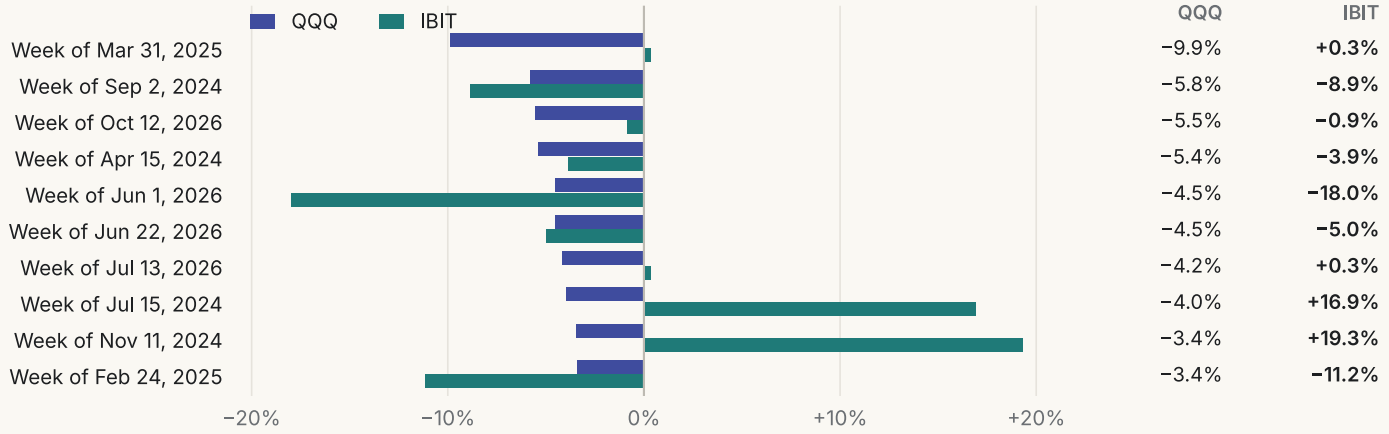
The most common thing I hear now is that bitcoin is basically a leveraged Nasdaq. Since the ETFs launched, it sits in the same brokerage accounts as the AI stocks, and when those accounts de-risk, they sell whatever is liquid.

The daily data backs that up more than I expected. On the 20 worst single days for QQQ since January 2024, IBIT fell on 17 of them, by 3.5% on average. On the 36 days QQQ fell 2% or more, IBIT fell on 28.[19]

The weekly data doesn't. Exhibit 2 ranks the ten worst weeks for QQQ over the same period. IBIT fell in six of them, but its average was only −1.1% against QQQ's −5.1%, and the range is wide: +19.3% the week after the 2024 election, −18.0% the week of June 1 this year.[2]

Exhibit 2. On tech's worst weeks, bitcoin was all over the place

The ten worst weekly returns for QQQ since January 2024, with IBIT's return in the same week. Weeks start on the Monday shown.



	QQQ	IBIT
Week of Mar 31, 2025	−9.9%	+0.3%
Week of Sep 2, 2024	−5.8%	−8.9%
Week of Oct 12, 2026	−5.5%	−0.9%
Week of Apr 15, 2024	−5.4%	−3.9%
Week of Jun 1, 2026	−4.5%	−18.0%
Week of Jun 22, 2026	−4.5%	−5.0%
Week of Jul 13, 2026	−4.2%	+0.3%
Week of Jul 15, 2024	−4.0%	+16.9%
Week of Nov 11, 2024	−3.4%	+19.3%
Week of Feb 24, 2025	−3.4%	−11.2%

Source: Yahoo Finance adjusted closes; LP Research calculations.

Bitcoin has its own catalysts. It just shares a sell button with tech on the worst days. Correlation says the same thing. Over rolling three-month windows, IBIT's daily correlation with QQQ has ranged from 0.12 in the first full window (April 2024) to 0.65 in early May 2026, its highest reading, about a month before the June selloff. Today it's 0.38.[19]

Exhibit 3. How much tech is in bitcoin? It depends on the month

Correlation of IBIT and QQQ daily returns over rolling 63-trading-day windows (about three months).



Source: Yahoo Finance adjusted closes; LP Research calculations.

Options traders treat it as its own animal too. As of Tuesday afternoon, October 27, and dividing implied volatility by 16, the shortcut I use for the VIX, IBIT's 42.6% works out to an expected daily move of about 2.7%, against 1.5% for QQQ at 24.6%. The rank is more telling. IBIT's implied volatility sits near the bottom of its one-year range (IV rank 17%), while QQQ's is at 58%.[20] Relative to their own histories, the options market is more nervous about the Nasdaq right now than about bitcoin.

> OPEN QUESTION
> *If bitcoin falls with tech on the day but does its own thing over a week, which holding period shows you the "real" bitcoin?*

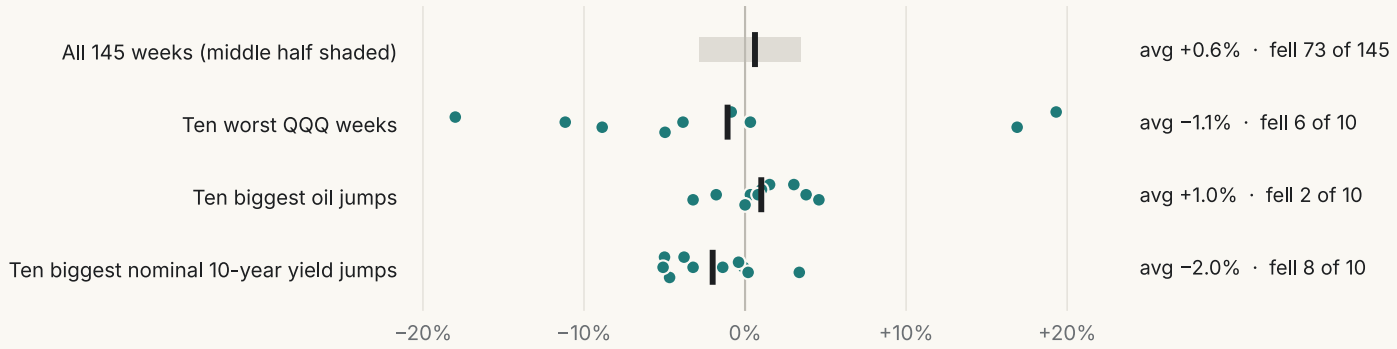
Commodity, hedge, or neither?

In 2015 the CFTC found that bitcoin is a commodity under the Commodity Exchange Act.[6] That's a legal label. It gives the CFTC authority over bitcoin derivatives and over fraud or manipulation in bitcoin trading, but it says nothing about how bitcoin should trade: gold, wheat, copper and crude are all commodities with very different drivers. Since January 2024, bitcoin has also been something you can buy like a stock. U.S. spot ETFs now hold about 1.3 million coins.[21]

So the oil test below isn't a test of whether bitcoin is a commodity. Oil is a gauge: big weekly jumps in crude are a reasonable proxy for the energy, geopolitical and inflation stress the hedge narratives talk about. Alongside those, I looked at the ten biggest weekly increases in the nominal 10-year Treasury yield, with the ten worst QQQ weeks for comparison, all against IBIT's full weekly history.[22]

Exhibit 4. Bitcoin shrugged off oil spikes. Yield spikes were another story

IBIT's return in each selected week (dots) and the group average (black mark). Oil = change in the weekly average WTI spot price, not a futures return. Yields = change in the nominal 10-year Treasury yield. Weeks since January 2024.



Source: Yahoo Finance; EIA via FRED; LP Research calculations.

Selected weeks	IBIT average	IBIT fell	GLD average	QQQ average
All 145 weeks	+0.6%	73 of 145	+0.5%	+0.4%
Ten worst QQQ weeks	−1.1%	6 of 10	−1.9%	−5.1%
Ten biggest oil jumps	+1.0%	2 of 10	−0.6%	−0.3%
Ten biggest nominal 10-year yield jumps	−2.0%	8 of 10	+0.4%	+0.9%

Oil spikes didn't hurt bitcoin. In the ten biggest oil weeks, eight of them during the war, IBIT averaged +1.0%, fell in two and was flat in one. Jumps in the nominal 10-year yield looked different: IBIT fell in eight of ten and averaged −2.0%, while QQQ rose 0.9% on average in those same weeks.

Two caveats. Ten weeks is a small sample, and these are nominal yields, which can rise from real rates or from inflation expectations. So I split them: the 10-year TIPS yield rose in all ten weeks and made up most of the move in nine, about 78% overall. Ranking by the Fed's 10-year series instead of Cboe's swaps two weeks, and IBIT still fell in eight.[22]

So my hypothesis, and it's only a hypothesis, is that real interest rates and financial conditions may matter more to bitcoin than the war-and-oil story its hedge narratives focus on. The research is at least consistent with that. Smales (2024) found crypto returns tracked inflation expectations only in narrow conditions, mainly with inflation below 2%, and tended to be weaker on CPI days and after upside surprises.[23] Rodriguez and Colombo did find bitcoin rising after CPI surprises, but mostly in the years before institutions arrived, and called the effect "likely to be diminishing as adoption increases."[24]

That last line stuck with me. The ETFs were supposed to be bitcoin's graduation. What if they're also part of the reason it now trades more like everything else in the portfolio?

> OPEN QUESTION
> *If bitcoin's biggest macro sensitivity turns out to be interest rates, is it a hedge against fiat money, or one more long-duration asset priced off the same discount rate?*

Is it actually scarce?

Scarcity is the foundation of almost every bitcoin argument, and as a protocol rule it holds up. About 20.1 million of the 21 million coins already exist, and new supply is growing about 0.8% a year, roughly half the pace of gold.[25,26] That part is observable. What it means for price is more debatable, because a fixed supply tells you nothing about demand. It also matters how many coins can actually be sold, and nobody knows that number.

- **Lost coins.** Very few coins are provably destroyed. Lost-coin figures are estimates based on how long coins have sat untouched. The most-cited, from Chainalysis, is 2.78 million to 3.79 million, and it's from 2017.[27]
- **Satoshi.** His estimated 1.1 million coins have never moved, and even the researcher behind that estimate calls the evidence circumstantial.[28] Chainalysis counts those coins as lost, so the two figures overlap and shouldn't be added together.
- **ETFs and Strategy.** U.S. spot ETFs and Strategy hold about 2.15 million coins, about 10.7% of everything issued.[21,29] Those coins aren't gone. ETF coins leave custody when shareholders redeem, and Strategy can sell. But a growing share of supply now moves with brokerage flows and one company's balance sheet.

The 21 million cap itself is a rule in software, not a law of physics. It holds because people keep choosing to enforce it, and it has been tested: in 2010 a bug briefly created 184 billion bitcoin out of nothing, and a fix was out within five hours.[30] This April, a draft proposal (BIP-361) suggested eventually freezing about 1.7 million coins in old addresses, Satoshi's included, to protect against future quantum computers.[31] Gold is scarce because of geology. Bitcoin is scarce because of consensus.

None of this means the network needs Wall Street. Anyone can still hold their own keys and send coins without asking permission, which is what the white paper set out to do: "the main benefits are lost if a trusted third party is still required."[4] What changed is how a lot of investors choose to own it. Two of the biggest holders are now a BlackRock fund and a public company. The protocol is the same. The ownership isn't, and that may be part of why bitcoin trades the way it does now.

This is also where Taleb's most provocative argument comes in. He argues bitcoin is "worth exactly 0": under his assumptions, an asset with no cash flows that has any chance of eventually becoming worthless must be worth nothing today.[10] That's a model result, not a settled fact. Gold has no cash flows either, and assets without them can still carry monetary or network value. Bitcoin's usefulness for moving money without permission is also a separate question from whether its price hedges inflation or war. But his underlying point stands: scarcity alone doesn't set a price. Demand does.

> OPEN QUESTION
> *If a big slice of supply may never move, and another slice moves only with ETF flows and corporate treasury decisions, how much bitcoin is really for sale at any given price?*

Bitcoin in limbo

This is the idea that got me started on this piece. Maybe bitcoin isn't broken. Maybe it's in a waiting room.

Over the trailing year (October 27, 2025 to October 26, 2026), bitcoin is down 30% while QQQ is up 14%. Bitcoin's record close was October 6, 2025. QQQ's was October 6, 2026, exactly a year later.[32] Money has been chasing AI. When that trade cools, and they all cool eventually, investors might go looking for something already washed out: more than a third off its high, with a fixed supply schedule and a debasement story that sounds pretty relevant with a 5% ten-year.

I like the idea, but the data pushes back.

Day to day, when tech sells off, bitcoin usually goes with it. June was described at the time as the AI trade unwinding, and IBIT fell 18% that week. At the same time, Presto Research pointed out that bitcoin's big drawdowns earlier in the year had lined up with rallies in AI stocks and gold, with bitcoin losing the competition for capital.[14] So bitcoin has struggled both when AI was ripping and when it was unwinding. If the rotation idea works, it probably works after the first leg down, once forced selling is done and money is looking for the next story.

There's also a version of "another layer of the tech trade" that's literal. Bitcoin miners own what AI needs most: land, power contracts and grid connections. IREN signed a $9.7 billion, five-year AI cloud contract with Microsoft in November 2025.[33] In December, Hut 8 signed a $7 billion, 15-year lease for an AI data center in Louisiana, with Anthropic, the company from my last piece, as the intended user and Google backstopping the payments.[34] The network isn't being abandoned, with hashrate still around 1,080 exahashes per second,[35] but the marginal megawatt now has a second bidder, and it's the AI trade.

This is a hypothesis, not a forecast. For the waiting-room idea to work, I think a few things would have to be true:

- **Rates stop climbing.** The weakest weeks in my sample were jumps in Treasury yields, not war or oil.
- **ETF flows turn back on.** The same pipe that made bitcoin easy to buy made it easy to sell.
- **It decouples from tech on the way down,** not just on the way up.
- **A new buyer shows up** who isn't already long the AI trade.

> OPEN QUESTION
> *When the AI trade cools, does money rotate into what's been left behind, or does bitcoin get sold first because it's the most liquid thing people own?*

So what is it?

This is how I'd score each identity on this year's evidence. None gets a clean pass.

If bitcoin is...	What fits	What doesn't
Electronic cash	It still settles without a bank, as designed	Daily moves annualize to about 49% volatility,[19] and many investors now own it through a brokerage ticker
Digital gold	Supply grows 0.8% a year, about half gold's rate	Since the war began it moved opposite to gold: IBIT +23.6%, GLD −24.2%
An inflation hedge	IBIT up 24% since the war began while CPI went from 2.4% to 3.7%	Fell in 8 of the 10 biggest nominal yield jumps; the academic evidence weakens after institutions arrived
A commodity	Legally, yes; supply is mined on a fixed schedule	Commodities don't trade alike, and IBIT showed no consistent link to oil (+1.0% average in the ten biggest oil weeks)
A layer of the tech trade	Fell on 17 of the 20 worst QQQ days	Correlation swings from 0.12 to 0.65; tech's worst weeks ranged from +19% to −18% for IBIT
A pointless asset	No cash flows; its value rests entirely on future demand	Eighteen years in, about $1.6 trillion of market value,[36] and the network still runs
In limbo	Down 30% over the trailing year while QQQ is up 14%	The first leg of an AI unwind hurt it rather than helped it

QUESTIONS I'M LEAVING OPEN

1. *If Satoshi's coins moved tomorrow, would bitcoin be less scarce, or just more honest about its supply?*
2. *Can something hedge the financial system when so much of it is now owned through the financial system?*
3. *Did the ETFs make bitcoin investable, or just ordinary?*
4. *What would bitcoin have to do in the next real crisis for me to call it a safe haven, and would I believe it?*
5. *If an AI company is renting the building that used to mine bitcoin, which one is the hedge for the other?*

Bitcoin at 18 is old enough to have a track record and young enough that the track record keeps changing meaning. The network does what the white paper said it would. The investment case is a different thing, and it gets rewritten every few years to fit the price.

I don't know which version wins. The most interesting thing about bitcoin right now is that after 18 years and roughly $1.6 trillion of market value, it still can't agree with itself on what it's for. That might be its biggest flaw, or the reason people keep buying it.

Disclosure, sources and calculations

This article reflects my personal analysis and opinions. It is not investment advice.

Measurement windows are listed under the title on page 1. Notes marked "LP calculation" show the inputs; press-reported figures are labeled as such.

1. Strikes: Invezz, Feb. 28, 2026. WTI spot, Cushing (EIA via FRED, DCOILWTICO): $66.96 on Feb. 27; $108.21 on Oct. 16; $107.89 on Oct. 20 (latest EIA print). CPI-U, NSA (BLS via FRED, CPIAUCNS): 336.940 (Sept. 2026) vs. 324.800 (Sept. 2025) = +3.7%. 10-year Treasury (H.15 via FRED, DGS10): 3.97% on Feb. 27; 5.00% on Oct. 26.
2. LP calculation, weekly adjusted closes. Feb. 27 to Oct. 23, 2026: IBIT $37.19 to $45.96 (+23.6%); QQQ +16.4%; SPY +11.6%; GLD $483.75 to $366.61 (−24.2%). Week of Aug. 17: IBIT $35.63 to $43.68 (+22.6%); compounding the other 33 weekly returns gives +0.8%. Week of June 1: $41.63 to $34.14 (−18.0%). Jan. 12, 2024 to Feb. 27, 2026: GLD $189.71 to $483.75 (+155.0%); IBIT $24.97 to $37.19 (+48.9%). Weeks of Mar. 2 and 9: IBIT +3.8%, +4.6%; QQQ −1.2%, −1.0%.
3. BTC-USD daily closes (Yahoo Finance, spot, UTC): record $124,752.53 on Oct. 6, 2025; $114,119.33 on Oct. 27, 2025; $80,006.66 on Oct. 26, 2026, which is −29.9% over the trailing year and −35.9% from the record. Low close since the record: $58,558.86 on June 30, 2026.
4. Satoshi Nakamoto, "Bitcoin: A Peer-to-Peer Electronic Cash System," Oct. 31, 2008: abstract and Section 6, "Incentive." LP check of the full text: no occurrence of "21," "store of value" or "hedge"; "gold" appears once (Section 6) and "inflation" once ("completely inflation free").
5. Satoshi Nakamoto, "Bitcoin v0.1 released," Cryptography Mailing List, Jan. 8, 2009.
6. CFTC, Release 7231-15 (Coinflip order), Sept. 17, 2015: bitcoin and other virtual currencies "are properly defined as commodities" under the Commodity Exchange Act. On scope, the CFTC's "Bitcoin Basics" says its jurisdiction "is implicated when a virtual currency is used in a derivatives contract, or if there is fraud or manipulation involving a virtual currency traded in interstate commerce."
7. The Block, reporting on Tudor's "The Great Monetary Inflation" letter, May 7, 2020.
8. The Block, reporting on Druckenmiller's CNBC interview, Nov. 9, 2020.
9. SALT Talks #141, "Michael Saylor: The Importance of Bitcoin," Jan. 15, 2021, transcript. Saylor co-founded and led MicroStrategy, now Strategy.
10. N. N. Taleb, "Bitcoin, Currencies, and Fragility," arXiv:2106.14204, submitted June 27, 2021, revised July 4, 2021; listed as forthcoming in *Quantitative Finance*. March 2020: section "Fallacy of safe haven, I." "Worth exactly 0": section "Comment 1" (absorbing-barrier argument).
11. BNN Bloomberg, Bloomberg's *Merryn Talks Money*, Nov. 3, 2023. ARK Invest manages bitcoin-related funds.
12. CoinDesk, "Gary Gensler's Statement on Bitcoin ETF Approvals," Jan. 10, 2024; trading began Jan. 11, 2024.
13. Nasdaq, IBIT options first day, Nov. 19, 2024.
14. Press-reported, not independently verified: CoinDesk, "Bitcoin briefly drops below $62,000...," June 3, 2026, citing SoSoValue (ETF outflows) and CoinGlass (liquidations), plus Presto Research's comments. AI-unwind framing: CoinDesk, June 5, 2026, as cited by Radom.
15. U.S. Treasury, "Treasury Announces Increased Sizes of Nominal Long-End Liquidity Support Buybacks Beginning September 9," Aug. 19, 2026: maximum size per operation in the 10- to 20-year and 20- to 30-year sectors raised from $2 billion to at least $4 billion, effective Sept. 9 through Nov. 4, 2026.
16. Axios, "Bitcoin's bounce," Aug. 21, 2026, citing CoinGlass: about $2.5B of bitcoin shorts liquidated over three days. Press-reported, not independently verified.
17. FRED (H.15), Feb. 27 to Oct. 26, 2026: DGS10 (nominal 10-year) 3.97% to 5.00%; DFII10 (10-year TIPS, i.e. real) 1.72% to 2.66%; T10YIE (10-year breakeven inflation) 2.25% to 2.34%.
18. A. Paltrinieri, S. Perdichizzi and S. Piserà, "Safe havens or war hedges? Asset behavior during the 2026 escalation of the Iran conflict," *Economics Letters* 265 (2026), 113010. Bitcoin's in-shock coefficient on global equity returns: 0.0475 (s.e. 0.2834; one-sided p = 0.877).
19. LP calculation, IBIT and QQQ daily adjusted closes (Yahoo Finance), Jan. 12, 2024 to Oct. 27, 2026 (700 returns; re-pulled Oct. 28). 20 worst QQQ days: IBIT negative on 17, mean −3.54%. QQQ down 2% or more: 36 days, IBIT negative on 28. Full-period correlation 0.41. Rolling 63-day correlation: 0.12 in the first full window (ending Apr. 12, 2024), high 0.65 (May 4, 2026), latest 0.38; Annualized volatility: IBIT 48.6%, QQQ 20.9%.
20. tastytrade market metrics, Tuesday, Oct. 27, 2026, about 3 p.m. ET: implied-volatility index IBIT 42.6% (IV rank 17%), QQQ 24.6% (IV rank 58%). One-day move ≈ IV ÷ 16 (√252 ≈ 15.9).
21. 24/7 Wall St. via Yahoo Finance, Oct. 8, 2026: U.S. spot ETFs hold about 1.3 million BTC and had about $107B of net assets on Oct. 7 (SoSoValue). LP check: $107B ÷ $83,000–$86,000 per coin ≈ 1.25M–1.29M.
22. LP calculation, weekly data (weeks labeled by Monday; ETF returns Friday close to Friday close). IBIT sample: 145 weekly returns, weeks of Jan. 15, 2024 to Oct. 19, 2026. **Oil** = change in the weekly average of daily WTI spot prices (EIA via FRED), not a futures return; averages and Friday closes don't cover identical windows. Eligible weeks: Jan. 15, 2024 to Oct. 12, 2026 (144); the week of Oct. 19 is excluded (only two days of EIA data). Ten biggest oil weeks (WTI change / IBIT return): Mar. 2, 2026 +19.0% / +3.8%; Mar. 9 +17.2% / +4.6%; Mar. 30 +12.1% / +1.5%; July 13 +11.8% / +0.3%; Apr. 27 +10.6% / +1.0%; July 20 +9.7% / 0.0%; June 16, 2025 +9.2% / −1.8%; Sept. 7, 2026 +8.7% / −3.2%; Aug. 31 +7.8% / +3.0%; June 9, 2025 +7.1% / +0.8%. Including the partial Oct. 19 week instead gives +0.9% and three declines. **Yields** = weekly change in the nominal 10-year yield (Cboe ^TNX close, Yahoo Finance). Ten biggest, with the FRED split into TIPS and breakeven changes, then IBIT: Apr. 7, 2025 +50.8 bp (real +45, BE +2) / −0.1%; Dec. 9, 2024 +24.8 (16, 9) / +0.2%; Sept. 30, 2024 +23.2 (15, 8) / −5.0%; May 11, 2026 +23.1 (17, 4) / −1.4%; Mar. 11, 2024 +21.5 (18, 4) / −0.4%; Jan. 15, 2024 +19.6 (12, 7) / −4.7%; Sept. 7, 2026 +19.1 (17, 1) / −3.2%; Sept. 21, 2026 +18.6 (15, 1) / +3.4%; Jan. 6, 2025 +18.0 (8, 9) / −3.8%; Apr. 1, 2024 +17.2 (14, 5) / −5.1%. Real: 177 of 227 bp of the FRED nominal change (78%). Ranked by FRED DGS10 instead, Mar. 2, 2026 and Oct. 21, 2024 replace Sept. 21, 2026 and Jan. 6, 2025 (a tie at 17 bp); IBIT still falls in 8 of 10, average −1.9%.
23. L. A. Smales, "Cryptocurrency as an alternative inflation hedge?" *Accounting & Finance* 64(2), 2024, 1589–1611.
24. H. Rodriguez and J. Colombo, "Is bitcoin an inflation hedge?" MPRA Paper 120477, 2024 (monthly data, Aug. 2010 to Jan. 2023).
25. LP calculation from block 973,455 (mempool.space, Oct. 27, 2026): blocks 0 to 839,999 issued 19,687,500 BTC; 133,456 blocks since at 3.125 BTC = 417,050; total 20,104,550 (95.7% of 21M; includes the unspendable genesis reward). Annual issuance ≈ 144 × 3.125 × 365.25 ≈ 164,000 BTC (0.82%).
26. World Gold Council: above-ground stock of 222,600 tonnes at end-Q2 2026; 2025 mine production of 3,671.6 tonnes (1.6%).
27. Fortune, "Exclusive: Nearly 4 Million Bitcoins Lost Forever, New Study Says," Nov. 25, 2017, citing Chainalysis; the estimate treats Satoshi's roughly 1 million coins as lost.
28. Cointelegraph Magazine, "Does Satoshi actually own 1 million bitcoin?" (Lerner, 2013; Bitquery re-run, 2026).
29. Strategy Inc., Form 8-K filed Oct. 26, 2026: about 848,517 BTC held as of Oct. 25. LP calculation: (1.3M + 0.85M) ÷ 20.10M ≈ 10.7%.
30. Bitcoin Wiki, CVE-2010-5139, "Value overflow incident": 184,467,440,737.09551616 BTC created; fix released within five hours; the corrected chain overtook at block 74,691.
31. Cointelegraph, on BIP-361, Apr. 15, 2026 (draft by Jameson Lopp and five co-authors); CoinDesk, on Adam Back's position, Apr. 16, 2026.
32. LP calculation, daily closes: BTC-USD $114,119 (Oct. 27, 2025) to $80,007 (Oct. 26, 2026), −29.9%; QQQ adjusted $625.15 to $712.20, +13.9%. QQQ record close $759.66 on Oct. 6, 2026.
33. IREN Ltd., Form 8-K, Exhibit 99.1, Nov. 3, 2025.
34. The Block, on Hut 8, Fluidstack and Anthropic, Dec. 17, 2025. Fluidstack signed the lease; Anthropic is the intended user.
35. mempool.space: block 973,455 mined Oct. 27, 2026 at 21:08 UTC; network hashrate about 1,083 EH/s.
36. LP calculation: $80,007 × 20.10M ≈ $1.61 trillion.