

When To Cash Out Before The Bear Market Hits

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BTC and Crypto – BTCandCrypto.com

Not Financial Advice – Invest At Your Own Risk

There are many ways to cash out of crypto before the bear market begins. We typically watch what Bitcoin does and it tells us what the rest of the market will do. Trying to figure out the top is almost impossible, so getting out of crypto as close as we can to the top is what we want. There are many charts people have created to help us determine when would be the best time to exit the Bull Market and wait for a dip and buy back in during the Bear Market. Buying low and selling high is our goal. So lets take a look at some of those charts.

The chart below is from LookIntoBitcoin.com. We can see that we have a Red Zone, called the X5 zone and the Green Zone, we will call this the X1 zone. During every Bullrun in Bitcoin's history the price of Bitcoin has gone into the X5 zone for a period of 2 to 3 months. While it was in the X5 zone it also created all time highs at the same time. So our goal is to wait till Bitcoin gets into the X5 zone for about 3 to 4 weeks and then convert our holdings into USDC so we can buy back in when BTC enters the X1 Zone. Keep in mind, there is no guarantee that this will happen this bullrun, but it would be the first time in Bitcoin's history that it didn't enter the X5 Zone if it does not during this bullrun. There is no exact price or percentage that Bitcoin will achieve that will tell us that now is the perfect time to move my assets to USDC, that is a guessing game. I will probably wait for BTC to be in the X5 Zone for 3 to 4 weeks before I convert to USDC. So lets take a look at this chart below.

The green line is the 2 Year moving average and the red line is 5x the 2 year moving average. So we want to sell in the red and buy in the green.



The first chart we are going to look at is called the 2 -Year Moving Average Multiplier which comes from the page LookIntoBitcoin.com.

The 2-Year MA Multiplier is intended to be used as a long-term investment tool. It highlights periods where buying or selling Bitcoin during those times would have produced outsized returns. To do this, it uses a moving average (MA) line, the 2yr MA, and also a multiplication of that moving average line, 2yr MA x5. Note: the x5 multiplication is of the price values of the 2yr moving average, not of its time period.

Buying Bitcoin when price drops below the 2yr MA **(Green Line)** has historically generated outsized returns. Selling Bitcoin when price goes above the 2yr MA x5 **(Red Line)** has been historically effective for taking profit.

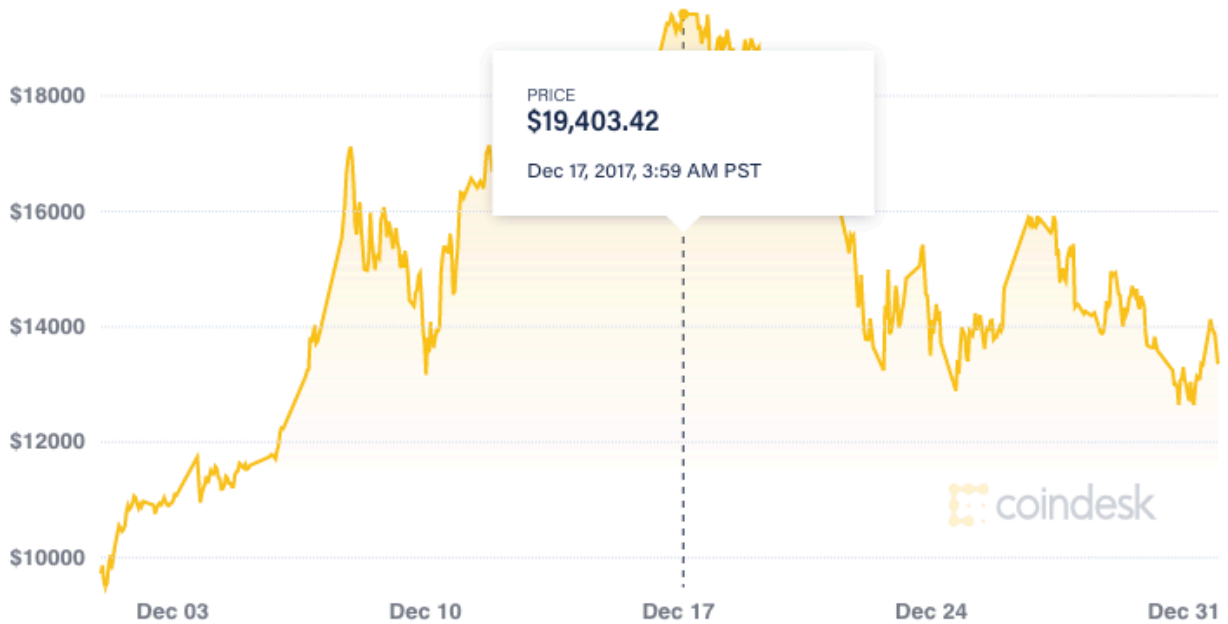
Why This Happens - As Bitcoin is adopted, it moves through market cycles. These are created by periods where market participants are over-excited causing the price to over-extend, and periods where they are overly pessimistic where the price over-corrects. Identifying and understanding these periods can be beneficial to the long-term investor. This tool is a simple and effective way to highlight those periods. In 2017 we entered the X5 zone on November 14th 2017



We stayed in the 5X zone until Jan 17th 2018
So we were in the 5X zone for 2 full months.
Peaking on Dec 17th 2017.



You can see here on **Dec 17th 2017** BTC reached a high of \$19,403



Now let's look at 2013/2014. This bull market was unique because it went into the X5 zone 2 different times for a total of 6 months. It originally went in March 17th 2013 and exited June 9th 2013, almost 3 months in the X5 zone.

It then entered the X5 zone on November 2nd 2013 and exited February 8th 2014, over 3 months in the X5 zone! The high for that year was \$1,145 per BTC on

December 4th 2013

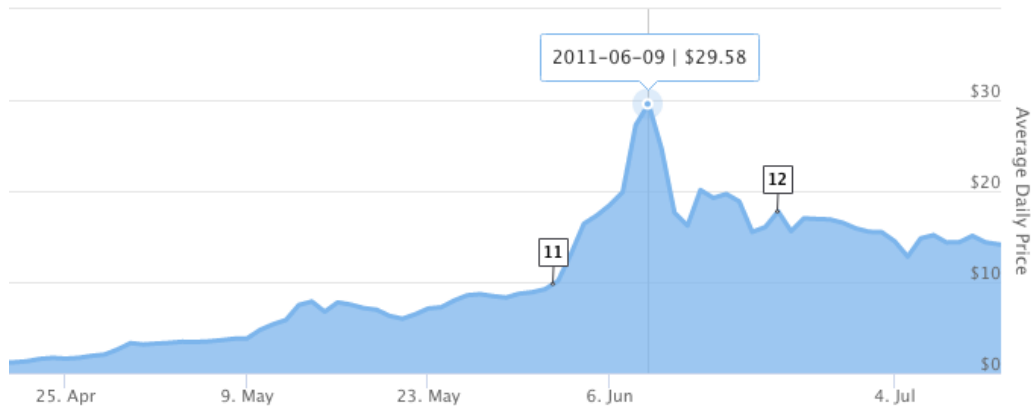




2011 is unique because it was so early in the life of Bitcoin and the July ATH date doesn't synchronize with the other December all time high dates. The point of 2011 chart is to show that it still went into the X5 zone. BTC entered the X5 Zone April 28th 2011 and exited around July 5th 2011, so again over 3 months in the X5 Zone for 2011.



On **June 9th 2011** we had an all time high of \$29 dollars! Yeah, I know, makes me cry too! 😊



So the goal is to convert the majority of our holdings into USDC while BTC is in the X5 Zone and then buy back in when we are in the **GREEN** Zone. I will create a Buy Back In word doc for when it's time to buy back in when we are in the Green Zone.

Now let's take a look at the Stock to Flow model and some other charts.

What is Stock To Flow?

Scarcity can be quantified by SF.

$$SF = \text{Stock} / \text{Flow}$$

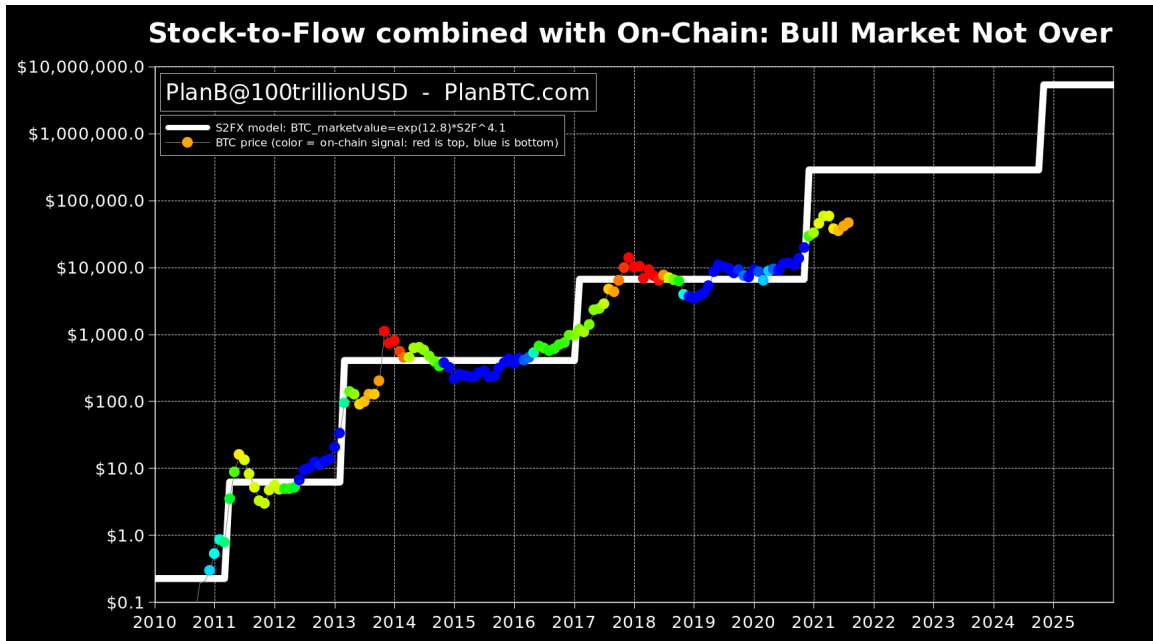
Stock is the size of the existing stockpiles or reserves.

Flow is the yearly production.

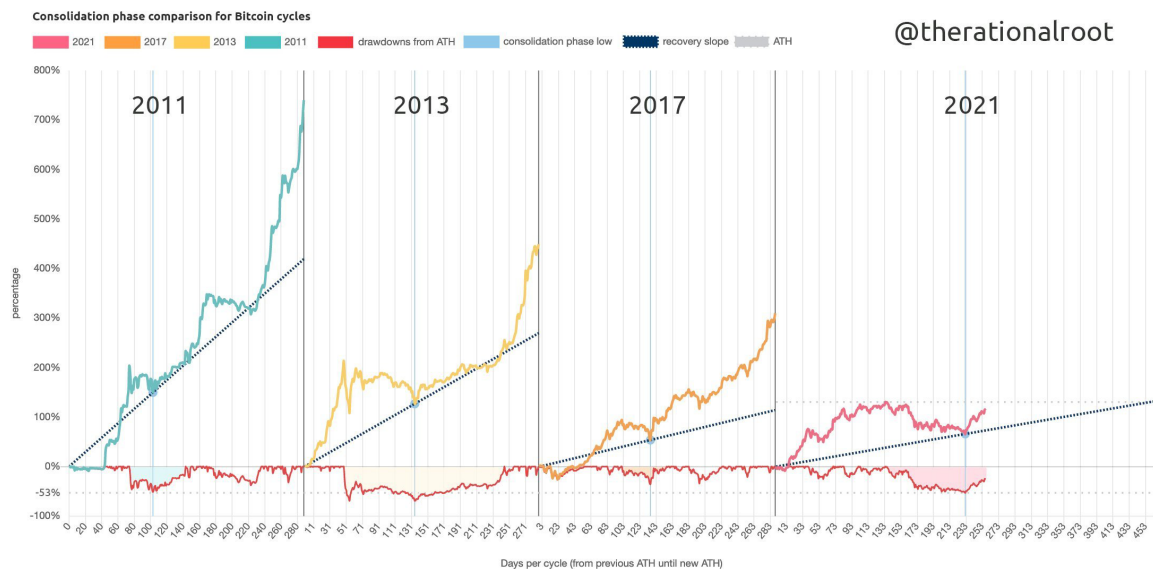
You can read this whole article at PlanBTC.com

What you want to take away from the below chart is that it has never been wrong and it is saying that Bitcoin will hit a minimum price of \$100,000 dollars per Bitcoin in the year 2021 and a midrange price of \$288,000 dollars per Bitcoin.

I would like you to focus on the RED DOTS and where they are compared to the white line. As you can see BTC has out performed the stock to flow model every bullrun. If that happens this year, we will be well over the \$280,000 range and closer to the \$500,000 range. I fully understand that this seems crazy and only an insane person would say this looking at our current BTC price, but that's EXACTLY what everyone was saying during every single bullrun that Bitcoin has had.



Take a look at this chart. This shows us what BTC has done after every Halving since 2011. You can see that BTC has always had a BLOW OFF TOP event. Meaning, it went parabolic toward the end of the bullrun. Looking at all of these charts and the information I have studied, I would say we are looking at a mix between the 2013 and 2017 Bullrun. My best guess is Bitcoin will see an ATH probably the 3rd week of December. That is my best guess based on all the information available.



This is a chart from Glassnode that shows the same thing that we have been looking at. We have 5 Stages, Red – Capitulation, Orange – Hope, Yellow – Optimism, Green – Belief, Blue – Euphoria. We are in the starting of Green right now. Once we hit the Blue zone we will see that breakthrough to the X5 Zone!

Bitcoin: Entity-Adjusted NUPL



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Below you can see the S2FX Line (Dark Green) and the S2F Line (Light Green) and BTC current price in Red. We are predicted to land between the green lines which would put us at about \$300,000 per BTC.

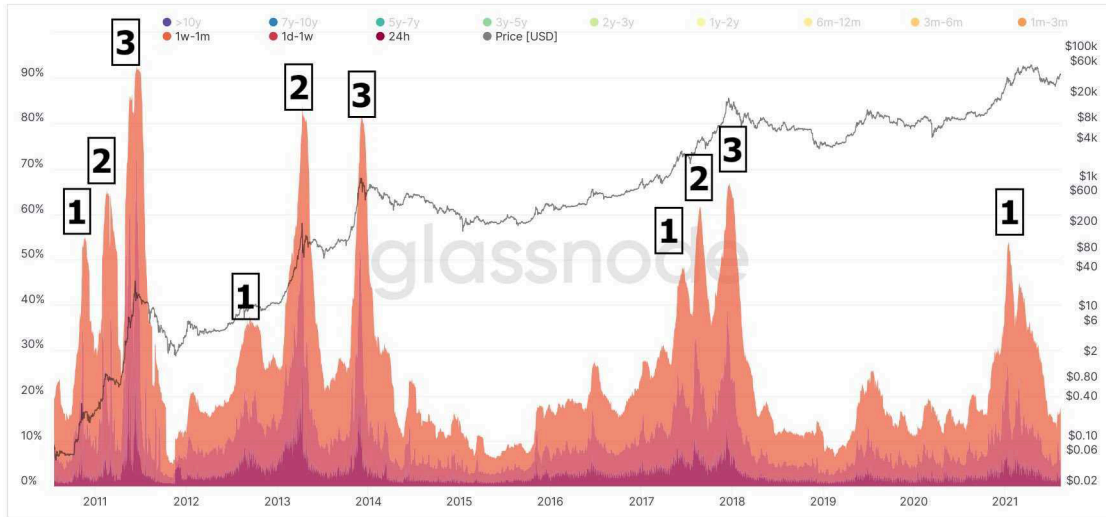
Bitcoin after 2012, 2016 and 2020 Halving



PlanB@100trillionUSD - planBTC.com

This is a very interesting chart. This shows us that the bullrun come in waves. Each bullrun has had 3 waves. According to this chart we should still have 2 waves coming of upward movement finishing with a blow off top event.

Bitcoin: Realized Cap HODL Waves



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I love this chart because it shows us that we have not had a parabolic blow off top like we have with every other bullrun.

Bitcoin: Puell Multiple (7d Moving Average)



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I hope this helps everyone understand Bitcoin a little better. Thank you!