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The data desk that zooms out

THE CORRIDOR

The Bitcoin Power Law Guide.

One straight line has carried Bitcoin's whole fifteen-year history. This is the plain-English guide to that line. What it is, where fair value sits, whether it can really call the bottom, and where Bitcoin stands on it today. Honest framing, never a magic number.

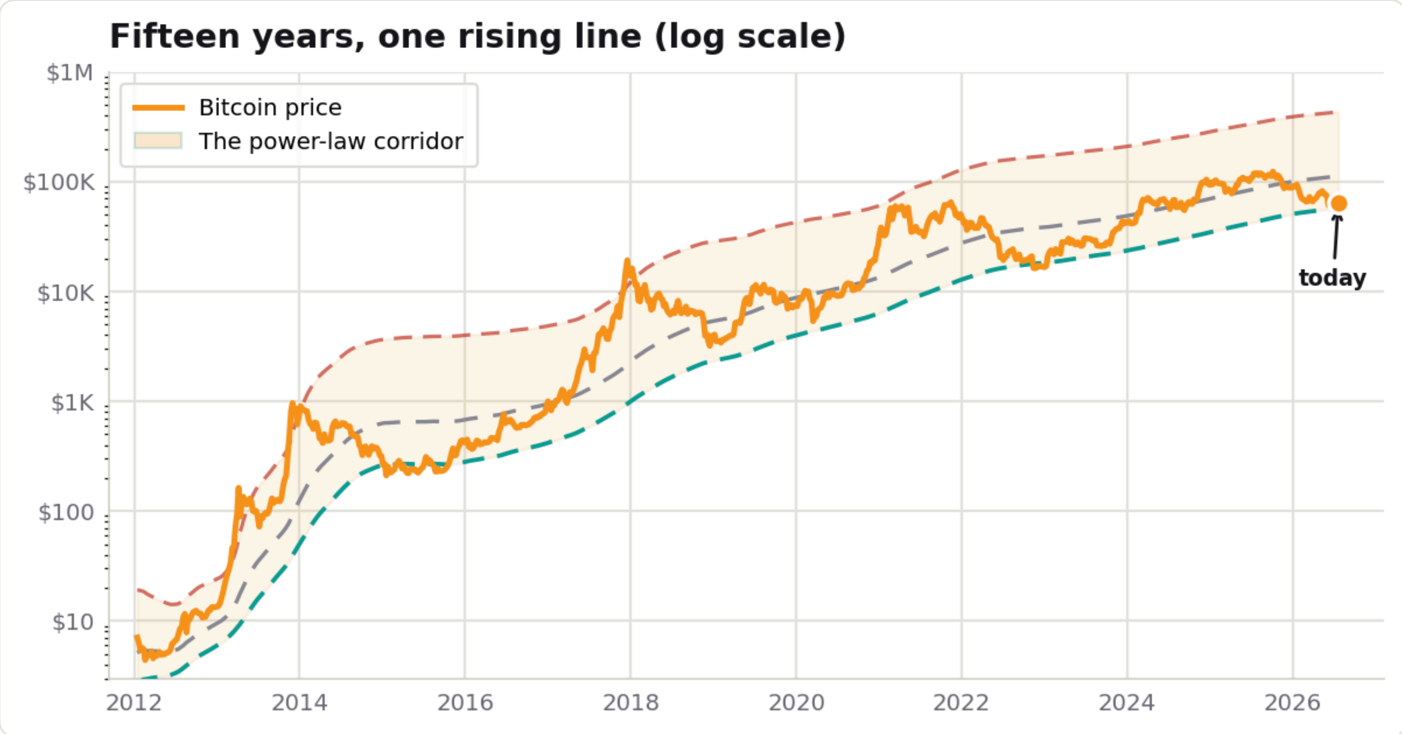
~43% below fair value, where Bitcoin sits on the line today	**15 yrs** one rising path Bitcoin has tracked on a log chart	**3 of 3** major bear lows that bounced off the lower band

Compiled July 20, 2026 from the same public power-law corridor shown on bitcoin-daily.com/cycle. Bitcoin about $64,590, roughly 43% below the model's fair value and still in the lower half of the band. Education, not financial advice. Bitcoin is volatile and history is never a promise.

What the power law actually is

On a normal price chart, Bitcoin looks like pure chaos. Huge spikes, brutal crashes, years that feel random. Now zoom all the way out, put fifteen years on one log chart, and something strange appears. Bitcoin's whole history walks up a single straight line.

That line is called the power law. Bitcoin does not grow like a company that can double its profit in a year. It grows on a path set by time itself, the slow steady way a city grows or the way the internet spread. More people, more computers, more years, and the line climbs. What looks like chaos up close becomes a gentle straight climb once you step far enough back.



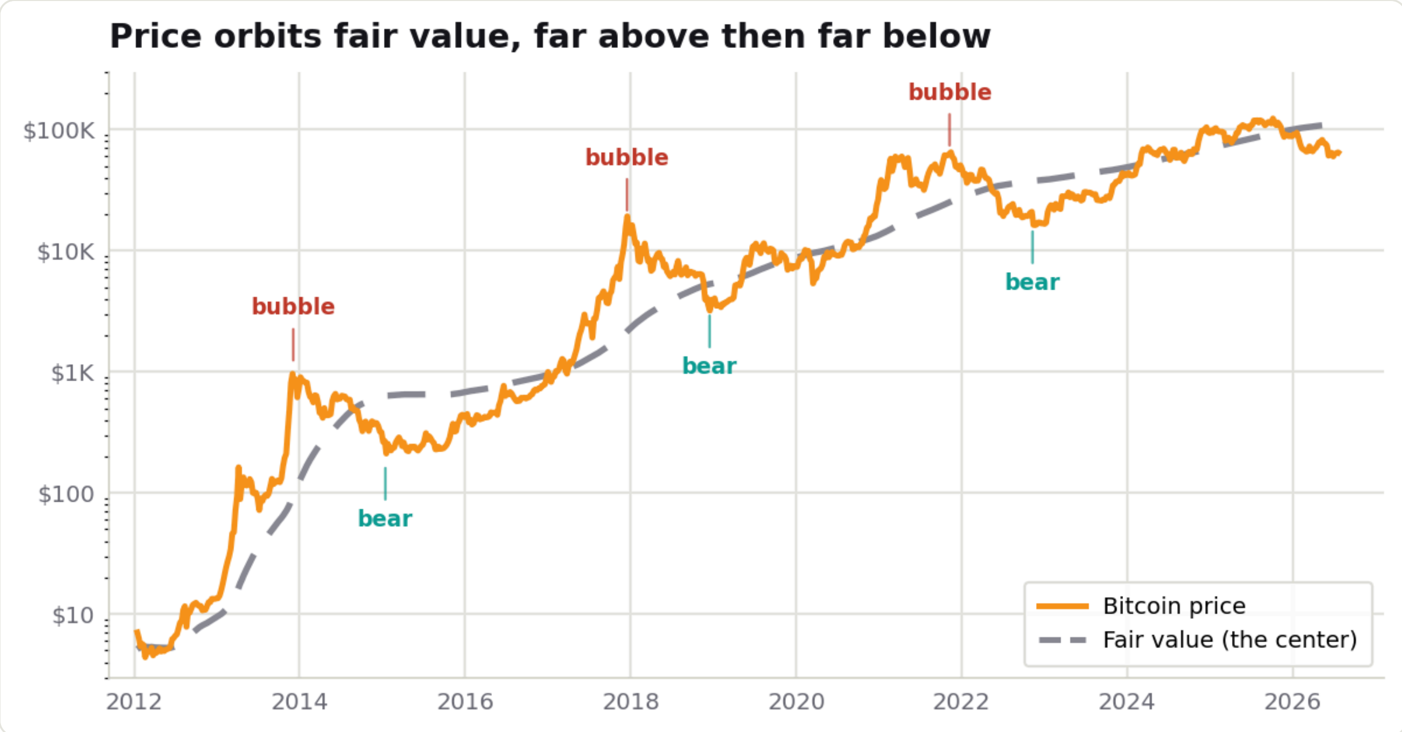
Bitcoin's price in orange, riding inside its own power-law corridor for fifteen years. The shaded band is the model's normal range around fair value. Same numbers, same corridor you can see live on bitcoin-daily.com/cycle.

> **The one-sentence version.** Zoom out far enough and Bitcoin has spent fifteen years hugging one rising line, inside a band that climbs with it. That line, and the band around it, is the whole idea behind this guide. It is a big-picture map, not a next-week price.

Fair value, the middle of the line

That straight line has a middle, and the middle is fair value. It is the price the model calls normal for Bitcoin at each moment in time. Here is the twist. Bitcoin almost never actually sits on it.

In a bubble, price rockets far above the line as everyone piles in at once. In a bear market, price sinks far below it as everyone gives up. Then, every single time so far, it gets dragged back toward the middle. The line behaves like gravity. Stretch too far above it and the fall has tended to come. Sink far below it and that is where value has historically been waiting.



The gray dashed line is fair value, the center of the power law. Price in orange spends its life swinging above it in bubbles and below it in bears, then getting pulled back. It rarely rests on the line itself.

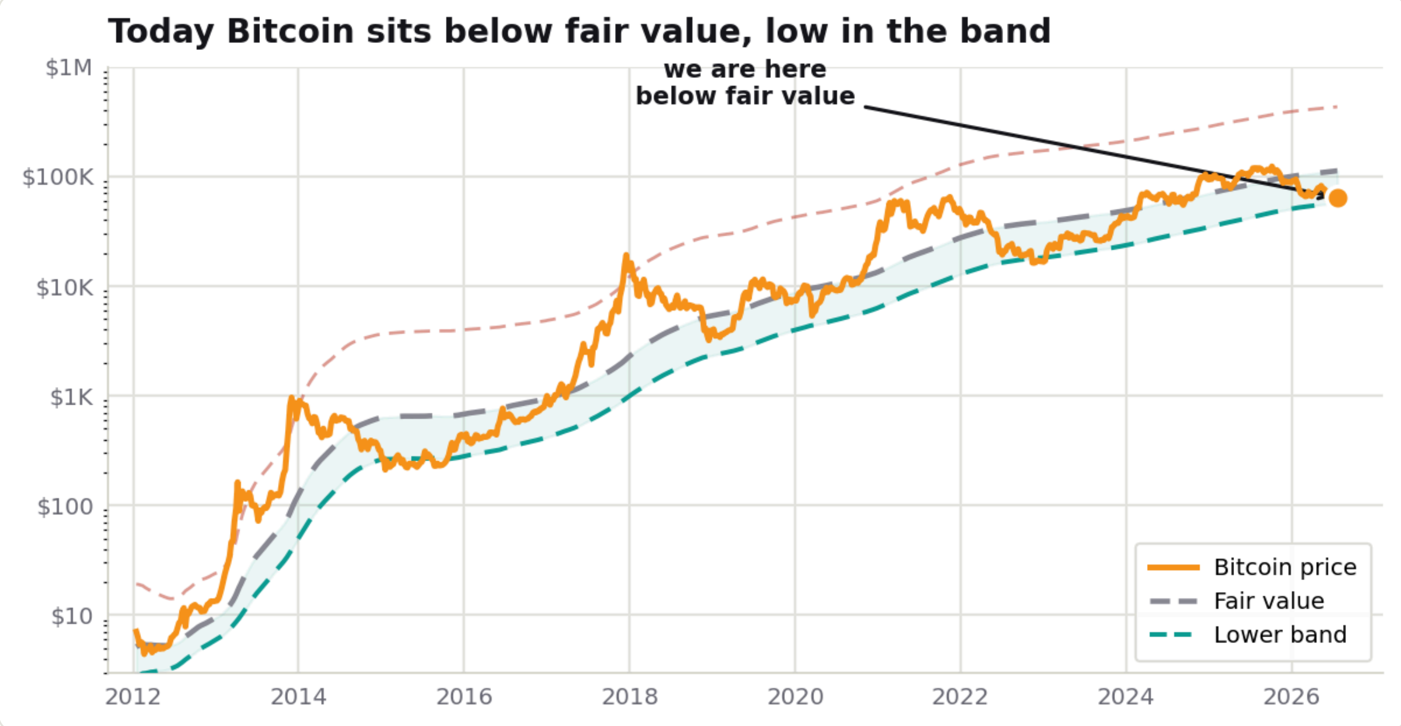
Why this matters. Fair value gives you a yardstick for fear and greed. Instead of guessing whether today's price is cheap or expensive in a vacuum, you can ask one plain question. Is price above the line or below it, and by how much. That is the honest use of the model, not a precise target to trade against.

Where Bitcoin sits today

YOU ARE HERE

So where are we on the line right now. Bitcoin trades around $64,590, and that puts it well below fair value, down in the lower part of the band. It is the same neighborhood, under the middle line, where past bear markets spent their time before they turned.

Being below fair value is not a frightening place on this map. It is where the fear tends to live, and it is where value has historically been found. In round numbers, price today sits about 43 percent below the center line and a little above the lower band. That is a range to read calmly, not a trigger to act on.



The orange dot is today. Price sits below the gray fair-value line, in the lower, teal-shaded half of the band, the same zone past bears lived in. This mirrors exactly what the live cycle page shows, no extra precision added.

> **The honest part.** Below fair value has been a good neighborhood to accumulate in over history, but it is not a buy button. Price can stay below the line for a long stretch, and it can slide further down inside the band before it turns. Treat this as a zone with a mood, not a signal with a date.

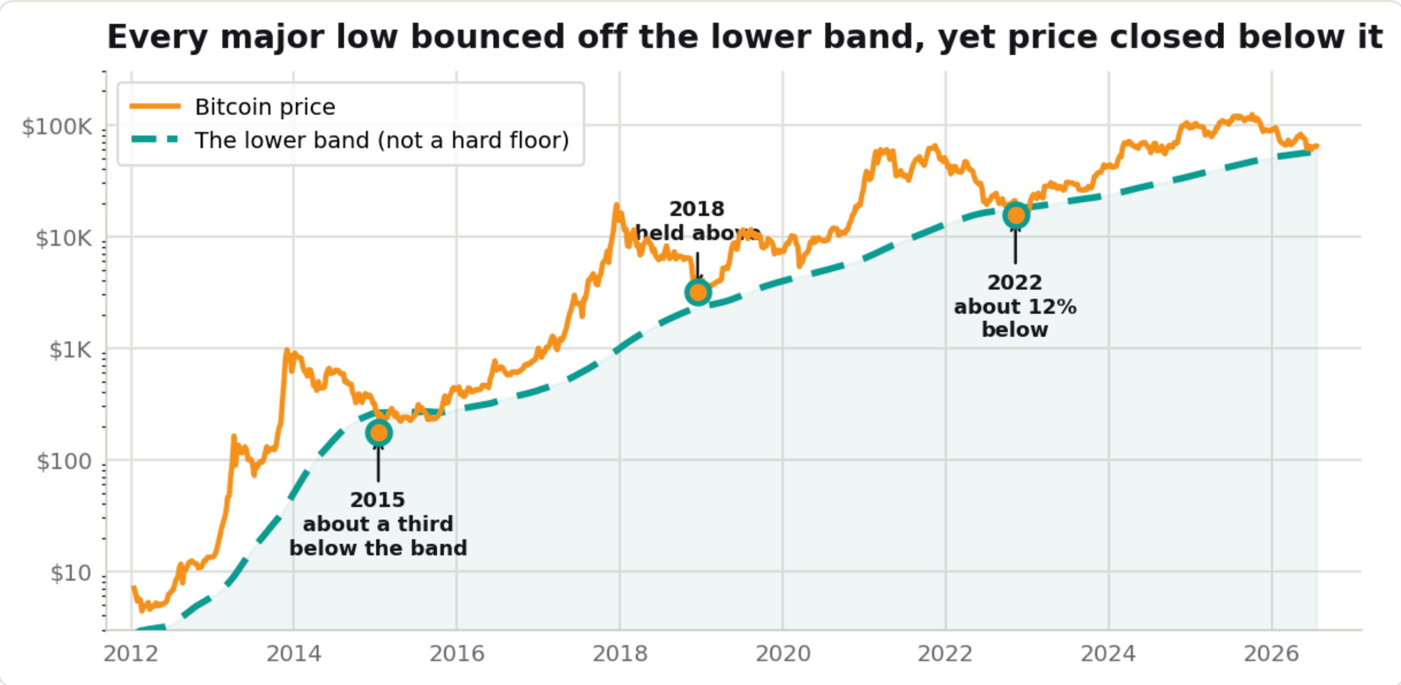
Can it call the exact bottom

THE BIG QUESTION

This is what everyone actually wants to know. Can the line hand you the exact price Bitcoin will bottom at. The honest answer is no. What it gives you is a floor zone and a rough window in time, never a single number.

Here is the part most people selling you a bottom price will skip. That lower line is a statistical band, not a hard floor. Bitcoin has bounced off it at every major low, in 2015, 2018 and 2022, which is why it gets so much attention. But price has also closed below it. In early 2015 it fell as much as about a third under the band. In late 2022 it dipped roughly 12 percent below. The 2018 low is the one that held above it. So the line marks a zone where value has been, not a guaranteed price.

This is not just our caveat. Giovanni Santostasi, who created the Bitcoin power law, describes that lower line as a theoretical floor rather than a guaranteed support level, and has said plainly that there is no guarantee the floor will hold. The person who built the model is the first to say the floor can break.



The teal dashed line is the lower band. Price bounced off it at all three major lows, but in 2015 and 2022 it briefly closed below, while 2018 held above. A band that has been respected, not an unbreakable floor.

GO DEEPER · VIDEO
When will Bitcoin bottom, and at what price?
https://youtu.be/2SeFTuTI_N0

GO DEEPER · VIDEO
Is the 4-year cycle real? I did the research
https://youtu.be/fPpKZ9SE5uc

The takeaway. The line is strong at telling you which neighborhood you are in and roughly when a low tends to arrive. It is weak at naming the exact dollar. Anyone printing you a precise bottom price, even one drawn off this line, is guessing.

Sources on the lower line as a band, not a guarantee: https://cryptoslate.com/does-the-bitcoin-power-law-model-still-hold-after-stock-to-flow-failed/ · https://giovannisantostasi.medium.com/the-bitcoin-power-law-theory-962dfaf99ee9 · https://charts.bitcoin.com/power-law.html

Why we built our own version

THE HONEST FIX

There is a quiet problem with the usual power law, and almost nobody mentions it. The standard version draws its line using all of Bitcoin's history at once, including the years that came after the point it is judging. That is like grading a test after peeking at the answer key.

In plain words, it lets the future help draw the past. That makes the fit look better than it truly was, because the line already knows how the story ends. This trick is called look-ahead, and it quietly flatters almost every model you see posted online.

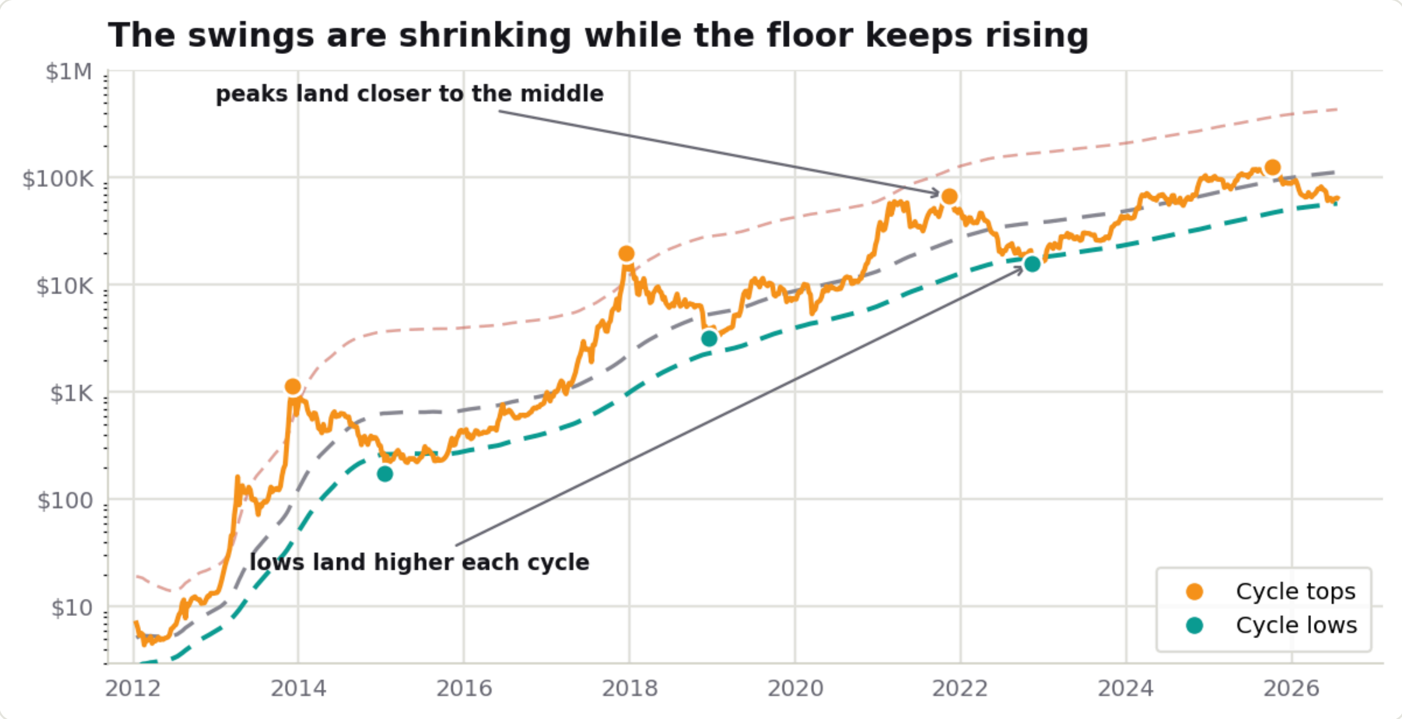
So we rebuilt it the honest way. Our version only ever uses the past. At each point in history it draws the line from the data available up to that day alone, then checks what happened next, exactly the way you would have to live it in real time. This is the causal version, and the surprising result is that it still held. Fifteen years of Bitcoin still hugged a line that never got to peek.

> **Why this is the whole point.** A model that only works when it can secretly see the future is a nice story. A model that works walking forward, blind to what comes next, is closer to a real edge. That honest result is why we stopped arguing online and published it as a research paper, Bitcoin Runs on a Clock, on SSRN 6977940.

The long game

ZOOM ALL THE WAY OUT

Step back from this one cycle and two quiet patterns show up in the corridor every single time. Together they are the backbone under all the noise.



Orange dots are cycle tops, teal dots are cycle lows. Each peak lands closer to the middle line than the last while each low lands higher than the last. The swings calm down as the floor climbs.

One, the swings are shrinking. Each bubble has peaked closer to the middle line than the one before, and each cycle's gain has been smaller. The jump from the 2013 top to 2017 was about 17 times. The next was around 3 times. The last was under 2 times. As Bitcoin gets bigger it moves in smaller percentages. **Two, the floor keeps rising.** Each cycle low has landed far above the one before, climbing from about $176 in 2015 to $3,185 in 2018 to $15,758 in 2022. The whole corridor drifts upward as the years pass.

What would tell us the map itself is breaking. If a cycle low crashed far below the rising band and simply stayed there, or if the swings suddenly turned wild again instead of calmer, that would be a real change in character, not a normal dip. Nothing like that is flashing today, but it is exactly the kind of thing the live read is built to watch for.

> **The takeaway.** Plan for a maturing asset. Smaller percentage swings than the wild early days, a floor that keeps climbing, and a corridor that rewards patience over precise timing.

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You have the map. Want the live read?

The line, fair value, the floor myth and where we sit today are all yours in this guide, free. The part that changes every morning is the live layer. Exactly where price sits against the line today, how that gap is moving, and the honest read on the bottoming window as it gets closer. That is what we keep sharp for members.

Every morning inside the community we publish the one number and the one chart that actually moved Bitcoin, in plain English, plus the live cycle read this guide only sketches. No hopium, no fear, just the desk note.

Get the live cycle read at bitcoindaily.vip

THE DEEP-DIVES BEHIND THIS GUIDE

When will Bitcoin bottom, and at what price?
https://youtu.be/2SeFTuTI_N0

July bull trap plus an Aug/Sept crash risk
https://youtu.be/frWUanOpKLo

Is the 4-year cycle real? I did the research
https://youtu.be/fPpKZ9SE5uc

Does Bitcoin follow the business cycle, not the halving?
https://youtu.be/2Xwc8efrnOk

Compiled July 20, 2026 from the same public power-law corridor shown on bitcoin-daily.com/cycle. Every number here traces to that public model, and the precise live read is kept for members. This document is for education and is not financial advice. Bitcoin is volatile, and history never guarantees the future. Everything here is a range or a scenario, never a promise or a single price prediction. The line has held before. That is not a promise it always will.