

DIGITAL ASSETS · POSITIONING & CYCLE STRUCTURE · UPDATE

Sold Out: Update

Thesis unchanged. Marked to \$86,000, up forty-four percent from the call, after the Fed hiked and bitcoin rallied through it.

Bitcoin / data anchored to the close of 22 Sep 2026 · original call 1 Jul 2026, \$59,600

ASSESSMENT	REGIME	POSITIONING	HORIZON
<i>Accumulate</i>	<i>Recovery</i>	<i>Hold + laddered</i>	<i>Scale → Fall '26</i>
Core held	50-wk reclaimed	RSI 73, greed	Unchanged

The original call bought a washed-out base at \$59,600. Bitcoin trades near \$86,000, up forty-four percent from the original report, and thirty-two percent below the October high. The base held, the marginal seller spent itself, and the two confirmations the report waited on, a rebuilt ETF bid and a SOPR reclaim, both printed. The Fed delivered its first rate hike in three years on September 16, and bitcoin broke out anyway.

That break is a central point of this update. Bitcoin rallied into a rate hike, a hawkish dot plot, reaccelerating inflation, and a ten-year yield at its highest since November 2023. The report's macro bear leg held that high real rates would starve the marginal flow, and price is contradicting it in real time. The drivers were ETF flows, a short squeeze, and a technical breakout, which makes the move real and its base thin at once. The full-week ETF net was six million dollars. Two sessions of inflows and a \$278 million short squeeze did the work, with RSI at 73 and sentiment in greed.

Reward-to-risk to the old high has fallen from seven-to-one at the call to roughly one-to-one against the \$50,000 structural support, and that support now sits forty-two percent below spot. This is a bullish trend now, held for the prior high, and it is priced accordingly.

RE-ANCHOR · 1 JULY → 22 SEP 2026

BTC spot (22 Sep)	~\$86,000	Move from 1 Jul call	+44%
ATH (6 Oct 2025)	\$126,198	To prior ATH (was +60%)	+47%
Drawdown from ATH (was ~37%)	~32%	September range	\$76.7k–\$87k
Fed funds (16 Sep hike)	3.75–4.00%	First hike since	Jul 2023
Aug CPI y/y (Jul was 3.4%)	3.4%	m/m (energy-led), core m/m	+0.4% / +0.3%
Perp funding	positive	Futures OI (+7.3% / 30d)	\$61.5B
Spot-ETF, 17–18 Sep (breakout)	+\$593M	Full-week net	+\$6.2M
ETF flows YTD	still negative	Breakout flow leader	Fidelity FBTC
ETF cohort cost basis	~\$81.7k	Status vs spot	back in profit
MSTR mNAV (EV / basic)	1.10x / 0.78x	Holdings (resumed buying)	~846,000
MSCI ACWI IMI decision	by 16 Oct	Effective / forced (JPM)	1 Dec / ~\$2.8B

Gold spot (was ~\$4,400)	~\$4,350	BTC priced in gold (was ~15)	~20 oz
CB gold buying, China thru Aug	>1,000 t	vs all of 2025	surpassed
Fear & Greed (was 11)	71 (Greed)	Breakout short liquidations	~\$278M

§ 01 / 02 MARKDOWN & LEVERAGE

Bitcoin held a \$76,000 to \$80,000 range, printed a golden cross for the first time this year, then cleared its fifty-week moving average for the first time in forty-five weeks on the September 21 breakout. The advance from \$77,000 to \$87,000 was flow-led and squeeze-amplified, with more than \$278 million in shorts liquidated as price cleared \$82,000.

The leverage profile has finished flipping. Funding is positive, open interest has rebuilt to \$61.5 billion, up seven percent in thirty days, and the squeeze that powered the breakout leaves the book longer and lighter on shorts. Currently, with RSI at 73 and sentiment in greed, the live near-term risk is a long-liquidation flush. See N-1.

§ 03 / 04 THE ETF BID & THE FORCED SELLER

The complex bled around the FOMC, \$450 million out on September 15 and \$296 million on the 16th, then took \$159 million on the 17th and \$433 million on the 18th to fuel the breakout, with Fidelity's FBTC leading at \$311 million against BlackRock's \$108 million. The single-name IBIT dependence the last update flagged has diversified. The caveat holds: cumulative 2026 flows are still negative, the full week netted six million dollars, and the bid must prove itself at higher prices. Corporate buyers returned alongside the funds, Strategy adding 950 BTC and Strive 1,355. The ETF cohort's average cost near \$81,700 is back below spot, so the marginal holder is in profit for the first time since spring.

Strategy holds about 846,000 BTC, EV-based mNAV has recovered to roughly 1.10x, the USD reserve stands near \$6.7 billion at two years of coverage, convertible debt is down to \$6.75 billion, and the company resumed buying with no dilutive common issuance. MSCI's screen for non-operating companies places Strategy in the deletion column of the ACWI IMI: the decision publishes by October 16, the review lands November 11, deletion takes effect December 1, and JPMorgan sizes the forced passive selling near \$2.8 billion. The screen targets the equity-issuance model itself, so the buybacks, the reserve, and the retired converts do not cure it. Roughly \$6.75 billion of debt and \$15 billion of preferred sit ahead of the common, and below a threshold bitcoin price those claims consume the treasury and the common's look-through exposure goes negative. That is the precise path the original report named. See N-3.

§ 05 / 07 ON-CHAIN, MACRO & THE FUNDING LEG

Bitcoin trades above the ETF cohort's cost basis and above the short-term-holder basis that capped it all summer, MVRV sits near 1.6 against a realized price around \$52,000, well below the 2.5 cycle peak, and SOPR holds above 1.0. The exhaustion signal the report was waiting on is now confirmed in the tape. (MVRV and SOPR inferred from the price to realized-price gap rather than a direct late-September print.)

August CPI reaccelerated to 0.4 percent on the month and 3.4 percent on the year, gasoline up 3.9 percent as oil cleared \$100, with PPI at 5.4 percent. This killed the disinflation the last update cited and sealed the hike. On September 16 the Fed lifted the funds rate to 3.75 to 4.00 percent, its first increase since 2023, and sixteen of eighteen participants projected at least one more hike by year-end, twelve of them at exactly one. The report's bear case was that this exact backdrop starves bitcoin, but bitcoin decoupled and rallied instead. My read is that flows and positioning overwhelmed the rate signal, which measures the strength of the bid rather than the direction of rates, and rates still point up. The next test is the December meeting into an overbought, leverage-rebuilt tape. See N-2.

Gold holds near \$4,350, also resilient through the hike, with central-bank demand at a record and China's purchases through August topping a thousand tonnes, more than all of 2025. Bitcoin priced in gold has re-rated from about fifteen ounces at the long call, to near twenty now. Gold did not roll over to fund the move, so the relative-value trade is working through bitcoin's own strength rather than gold's weakness. So I size the gold sale on its own merits, as written.

§ 08 THE ASYMMETRY, RE-PRICED

Spot has run twenty-six thousand dollars since the July call while structural support has not moved, and the reward-to-risk that defined the entry is spent.

	1 JUL \$59,600	28 AUG \$79,100	22 SEP \$86,000
<i>To prior ATH \$126,198</i>	+112%	+60%	+47%
<i>To structural support ~\$50k</i>	-16%	-37%	-42%
<i>R/R to old high</i>	~7 : 1	~1.6 : 1	~1.1 : 1

Against the \$50,000 structural the trade is now roughly one-to-one, and that level I am confident we will **not fill** without a macro shock. The deep tranches reserved for below \$50,000 are effectively retired unless the December macro breaks the current trade.

§ 09a LEVELS, RE-PRICED FROM \$86K

LEVEL	READ
~\$97k	The 2026 high from mid-January. Next major resistance and the first real overhead supply.
~\$90-92k	Breakout-extension resistance. A pause zone before the next high.
~\$88k wkly	Recovery confirmed. The gate sits within two percent; a weekly close retires the downside-first view.

LEVEL	READ
~\$86k	Spot, September breakout in force, above the 50-week MA for the first time in 45 weeks.
~\$82k	Breakout level and September range top. First support on a pullback.
~\$80-81.7k	Fifty-week MA and ETF cohort cost basis. Must hold to keep the breakout and the marginal holder in profit.
~\$76-77k	Range floor held since the reclaim. Loss re-opens \$62k.
~\$68k	Prior medium-term floor. Core defense.
~\$50k	Structural support, now 42 percent below spot. Largest planned tranche, unlikely to fill.

§ 09b WHAT WOULD BREAK MY THESIS, UPDATED

The original invalidations remain untriggered, and the tape resolved upward on all of them.

N-1 · Long-leverage flush LIVE

No longer hypothetical. Open interest has rebuilt to \$61.5 billion, funding is positive, the breakout ran on a \$278 million short squeeze, and daily RSI currently at 73 with greed sentiment marks an overbought environment. A stall that unwinds the fresh longs is the most likely near-term drawdown. It would test the \$80,000 to \$82,000 shelf.

N-2 · The rate path MOVED TO DECEMBER

The feared hawkish FOMC arrived and bitcoin absorbed it, so the September event did not break the move. The dot plot points to another hike, oil near \$100 is re-firing inflation, and the market has now shown it will buy one hawkish surprise. Whether it buys a second, into an overbought and leverage-heavy tape, is the open macro test.

N-3 · MSCI passive-outflow forced seller SCHEDULED

The decision publishes by October 16, the November review lands November 11, and deletion takes effect December 1, with roughly \$2.8 billion in forced passive selling of Strategy. The screen catches the equity-issuance model itself, so the company's balance-sheet repairs do not remove it. This pressures the treasury complex on the equity leg regardless of the bitcoin price and can feed back through sentiment into the tail.

N-4 · Single-name bid fragility EASED

The concentration eased when Fidelity led the breakout inflows over BlackRock, so the dependence is now on ETF flows in aggregate rather than one issuer. The week netted six million dollars, and a stall in flows at these prices removes the bid that carried the squeeze.

N-5 · Durability of a flow-and-squeeze breakout NEW

The invalidation is a failure to convert into organic spot demand before the squeeze fuel and the technical momentum fade. December stacks the second FOMC hike test and the MSCI effective date into one seasonally thin window. A round-trip inside the \$76,000 to \$80,000 range *on fading flows and rising open interest* would mark the move as mechanical, and the deep tranches likely fill.

§ POSITION

I am long bitcoin from the low \$60,000s, the accumulation zone the original call named. I have taken no profit. This is a swing hold, with the prior all-time high as the first target. New size is reserved for the ladder pullback levels above.

METHOD · Thesis, framework, and scenario logic carried unchanged from Sold Out (1 Jul 2026). This sheet re-anchors quantitative inputs to the 22 Sep 2026 tape and updates levels, invalidations, and the forced-seller schedule. Verified live: spot, ETF flows, funding/OI, the September FOMC and August CPI/PPI, MSTR holdings/mNAV, the MSCI timeline, gold. MVRV and SOPR (from the price to realized-price gap). 25Δ skew, cash-carry basis.

SOURCES · Price/path: TradingView, CoinGecko, Fortune, AdvisorHub, CoinDCX. Macro: BLS, Federal Reserve SEP/dot plot, CNBC, Bloomberg, Kiplinger, Bondsavvy. ETF flows: Farside, SoSoValue, CryptoBriefing, The Coin Republic, Morningstar. Funding/OI/liquidations: CoinGlass, CoinStats, Investing News. MSTR: SEC 8-K/FWP, bitcointreasuries.net, mnav.com, Yahoo Finance. MSCI: MSCI consultation, JPMorgan, CryptoSlate, Bitcoin Magazine. Gold: Kitco, World Gold Council, Fortune, Standard Chartered, Goldman Sachs. Scenario weights are the author's judgment, not model output.

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