

The 4-Year Crypto Market Cycle Explained

The Repeating Pattern Every Crypto Investor Must Understand

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The cryptocurrency market does not move randomly. Since Bitcoin's creation in 2009, the market has followed a repeating four-year pattern — a structured cycle of decline, accumulation, expansion, and peak that has driven every major price move in crypto history.

Understanding this cycle does not guarantee perfect timing. But it gives every investor a structural framework for making decisions with more confidence and less emotion.

Why Does the 4-Year Cycle Exist?

The four-year cycle is anchored to one event: the Bitcoin halving. Approximately every four years, the Bitcoin protocol automatically cuts the block reward paid to miners in half. This means the rate at which new Bitcoin enters circulation is reduced by 50%. With demand remaining constant or growing, and supply growth slowing dramatically, the conditions for a price increase are structurally set.

This supply shock does not produce an immediate price spike. It works gradually over six to twelve months as the reduced supply pressure interacts with growing institutional and retail demand — eventually triggering the bull phase of the cycle.

The Four Phases of the Cycle

Phase 1 — Bear Market — Following the peak of the previous bull run, prices decline sharply. Investor sentiment turns negative. Media coverage becomes pessimistic. Speculative projects collapse. This phase typically lasts approximately 289 days on average. Bitcoin typically falls 30% to 75% from its all-time high. Altcoins fall further — often 80% to 95%.

Phase 2 — Accumulation — After the bear market bottom is established, prices stabilize at low levels. Trading volume decreases. Retail interest disappears. This is the quietest phase of the cycle — and the most important for building wealth. Institutional investors and long-term holders quietly build positions at depressed prices.

Phase 3 — Bitcoin Halving and Early Bull — The halving event occurs. Supply growth slows. Over the following months, upward price pressure builds. Bitcoin begins making higher highs. Confidence returns. New retail investors begin entering. Early movers who positioned during the bear market begin seeing significant returns.

Phase 4 — Bull Market Peak — Bitcoin reaches new all-time highs. Altcoins begin outperforming Bitcoin in percentage terms. Media coverage intensifies. Retail FOMO drives the final parabolic move. Institutional investors begin distributing positions into retail demand. This phase lasts approximately 973 days on average from the bear market bottom to the cycle peak.

289 Avg Bear Market Days	973 Avg Bull Market Days	~4yrs Full Cycle Length	50% Supply Cut Per Halving
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Historical Cycle Timeline

Cycle 1: 2011 — 2013 — Bear bottom 2011. First halving November 2012. Bull peak December 2013. Bitcoin rose from approximately \$2 to \$1,100.

Cycle 2: 2014 — 2017 — Bear bottom 2015. Second halving July 2016. Bull peak December 2017. Bitcoin rose from approximately \$200 to \$20,000.

Cycle 3: 2018 — 2021 — Bear bottom December 2018. Third halving May 2020. Bull peak November 2021. Bitcoin rose from approximately \$3,200 to \$69,000.

Cycle 4: 2022 — Present — Bear bottom November 2022 at approximately \$15,500. Fourth halving April 2024. Bitcoin crossed \$100,000 in late 2024. Current phase: mid-to-late bull cycle as of Q2 2026.

What the Cycle Means for Your Portfolio

During the bear phase: Reduce speculative exposure. Move profits into stablecoins. Begin researching quality assets for the next accumulation phase.

During accumulation: Build core positions in Bitcoin and high-conviction altcoins in stages. Accumulation ends before most investors realize it has begun.

During the halving and early bull: Increase exposure. This is the highest-conviction entry window in the cycle. Maintain position sizing discipline even as prices rise.

During the late bull peak: Take partial profits systematically. Do not wait for the absolute top. Move gains into stablecoins. Prepare for the next bear market accumulation phase.

The Most Common Cycle Mistake

Most retail investors do the opposite of what the cycle requires. They sell during bear markets out of fear, miss the accumulation phase, buy near the bull market peak out of FOMO, and then sell again at the next bear market bottom — locking in losses at every turn.

The cycle does not change. Human behavior does not change. The investors who study the pattern, control their emotions, and act against the crowd at each phase are the ones who compound wealth across multiple cycles.

Key Takeaway

The 4-year crypto cycle is not a guarantee — it is a framework. Use it to make better decisions at every phase: accumulate when others are fearful, hold conviction through the expansion, take profits when euphoria peaks, and prepare for the next cycle before it begins.