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Bitcoin's Future May Defy Historic Cycles as Institutional Momentum Builds

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Bitcoin could be heading toward a new growth phase that breaks from its well-known four-year halving cycle, according to Matt Hougan, Chief Investment Officer (CIO) at crypto asset manager Bitwise. While most analysts predict a price peak in late 2025, Hougan believes 2026 could be a strong year, driven by regulatory clarity, institutional investment, and weakening effects of the halving process.

In a recent video posted on X (formerly Twitter), Hougan stated, “I bet 2026 is an up year,” suggesting a potential departure from the typical cycle. Bitcoin’s halving events, where mining rewards are cut in half roughly every four years, have historically triggered price surges. However, Hougan argues that this effect is losing strength. Each halving reduces

fewer absolute coins than the one before, lessening its overall impact on supply and demand dynamics.

Instead, Hougan points to broader macroeconomic shifts and increased institutional adoption. For example, U.S. presidential candidate Donald Trump has publicly pressured the Federal Reserve to cut interest rates, a move that could drive capital into alternative assets like Bitcoin. Lower yields in traditional markets often push investors toward higher-risk, higher-reward options.

Additionally, Hougan emphasized that improving regulations reduces the risk of catastrophic market failures. “Blow-up risk is attenuated,” he said, noting that the sector is maturing thanks to stronger oversight and a wave of institutional interest from major financial firms.

Still, Hougan warns of new risks, particularly from Bitcoin treasury companies, businesses that hold Bitcoin by issuing debt or equity. If the market turns, these firms could face serious liquidity issues. Asset manager VanEck has echoed this concern, cautioning that some may be dangerously overleveraged.

Other industry voices support the idea of a shift. CryptoQuant CEO Ki Young Ju recently declared the four-year cycle “dead,” citing stronger long-term holders and institutional accumulation. Likewise, analyst Tom Lee maintains a bullish long-term view, calling Bitcoin “Digital Gold” and predicting a potential rise to \$1 million, a projection that remains speculative and hinges on adoption trends.

Meanwhile, skeptics like Rekt Capital argue the 2020 pattern could repeat, putting the next peak in October 2025. Regardless, Bitcoin’s recent surge, up over 10% in the last month, suggests building momentum, even if the path ahead may diverge from historical trends.