THE COMPLETE TRADER'S EDGE · RESEARCH SHEET No. 02

The History of Bitcoin

From a nine-page whitepaper to a trillion-dollar reserve asset. Seventeen years of cycles, crashes and lessons, on one desk reference.

21,000,000
Hard supply cap

4
Halvings completed

−93% to −54%
Range of cycle drawdowns

~1.1m BTC
Satoshi's coins, never moved

Free. Not gated. Every figure traced to the article it came from.
Last updated 2 September 2026.

SECTION 01

The complete timeline

Seventeen years, forty moments. Every entry below is expanded in the full article.

Date	Event
1982	David Chaum publishes blind signatures; DigiCash follows in 1989 and fails in 1998
1991	Haber and Stornetta describe a hash-linked chain of timestamped records
1992	The cypherpunk mailing list begins in the Bay Area
1997	Adam Back releases Hashcash, the proof-of-work Bitcoin would borrow
1998	Wei Dai proposes b-money; Nick Szabo conceives Bit Gold
2004	Hal Finney builds Reusable Proofs of Work
18 Aug 2008	bitcoin.org registered
31 Oct 2008	Whitepaper posted to a cryptography mailing list
3 Jan 2009	Genesis block mined, carrying the Times bailout headline
12 Jan 2009	Satoshi sends 10 BTC to Hal Finney: the first transaction
5 Oct 2009	New Liberty Standard prices BTC at 1,309.03 to the dollar
22 May 2010	Laszlo Hanyecz pays 10,000 BTC for two pizzas
15 Aug 2010	Value overflow bug creates 184 billion BTC; patched in five hours
Feb 2011	Bitcoin reaches parity with the dollar; Silk Road opens
Jun 2011	Peak near $31, then a 93% collapse to about $2
28 Nov 2012	First halving: 50 to 25 BTC
Mar 2013	Cyprus deposit seizures; FinCEN issues first US guidance
2 Oct 2013	FBI seizes Silk Road; Ross Ulbricht arrested
Nov 2013	First $1,000; peak near $1,150. China bars banks on 5 December
18 Dec 2013	A drunk forum post coins HODL
Feb 2014	Mt. Gox collapses, roughly 850,000 BTC missing
9 Jul 2016	Second halving: 25 to 12.5 BTC

Date	Event
2 Aug 2016	Bitfinex hacked for about 120,000 BTC
1 Aug 2017	Bitcoin Cash forks; SegWit activates 24 August
Dec 2017	CBOE and CME list futures; peak near $19,800 on 17 December
Dec 2018	Bottom near $3,200, 84% below the high
12 Mar 2020	Black Thursday: about 50% lost in a day
11 May 2020	Third halving: 12.5 to 6.25 BTC
Aug 2020	MicroStrategy moves its treasury into Bitcoin
Feb 2021	Tesla buys $1.5bn; Coinbase lists 14 April
May-Jun 2021	China bans mining; hashrate halves, then migrates
7 Sep 2021	El Salvador adopts Bitcoin as legal tender
10 Nov 2021	Cycle high near $69,000. Taproot activates four days later
May-Nov 2022	Terra, Celsius, Three Arrows, Voyager, then FTX on 11 November
21 Nov 2022	Bottom near $15,500, 77% below the high
Mar 2023	Silvergate, SVB and Signature fail; Bitcoin rallies 40%
11 Jan 2024	Spot Bitcoin ETPs begin trading in the US
20 Apr 2024	Fourth halving: 6.25 to 3.125 BTC
5 Dec 2024	Bitcoin crosses $100,000
6 Mar 2025	US Strategic Bitcoin Reserve established by executive order
6 Oct 2025	All-time high near $126,000
10 Oct 2025	About $19bn of leveraged positions liquidated in a day
Jun-Jul 2026	Cycle low near $58,000, about 54% below the high
2 Sep 2026	Trading near $77,000, about 39% below the high

SECTION 02

The cycles

Five bull markets, five bear markets. Note what broke in each, and note that every top arrived at a moment of maximum mainstream legitimacy.

Cycle	High	Low	Drawdown	What broke
2011	~$31 (Jun 11)	~$2 (Nov 11)	-93%	Mt. Gox hacked
2013-15	~$1,150 (Nov 13)	~$170 (Jan 15)	-85%	Mt. Gox collapsed; China banned banks
2017-18	~$19,800 (Dec 17)	~$3,200 (Dec 18)	-84%	The ICO bubble
2021-22	~$69,000 (Nov 21)	~$15,500 (Nov 22)	-77%	Terra, 3AC, Celsius, FTX
2025-26	~$126,000 (Oct 25)	~$58,000 (Jul 26)	-54%*	Nothing inside crypto

* Cycle incomplete at the time of writing.

Drawdowns are shrinking as the asset matures

> Deeper pools of capital fall less far. They still fall far enough to destroy anyone who is over-leveraged. Size every Bitcoin position as if a fall of more than half is the base case, because in every completed cycle it has been.

SECTION 03

What $100 became

Held to a price of about $77,000 on 2 September 2026.

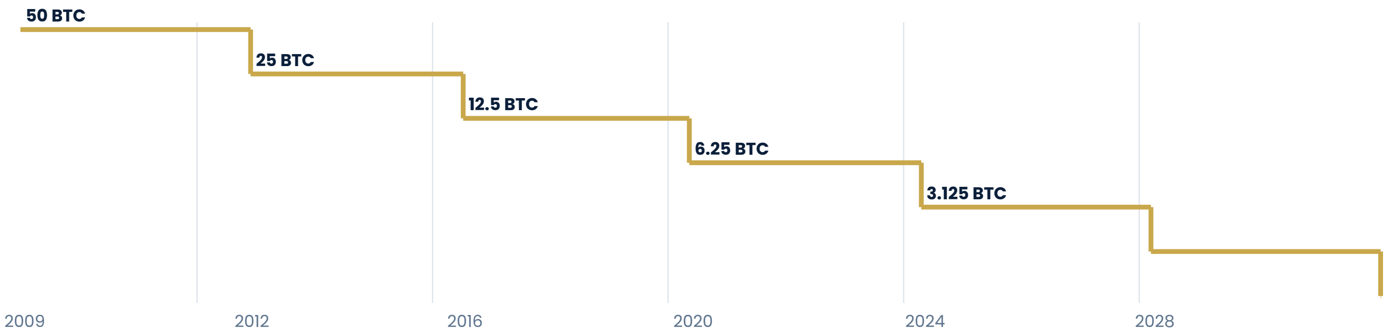
Bought at	Price then	$100 became
Pizza Day, May 2010	$0.0041	~$1.9 billion
Dollar parity, Feb 2011	$1	~$7.7 million
Cyprus spike, Apr 2013	$100	~$77,000
First $1,000, Nov 2013	$1,000	~$7,700
2017 top, Dec 2017	$19,800	~$389
2018 bottom, Dec 2018	$3,200	~$2,400
2021 top, Nov 2021	$69,000	~$112
2022 bottom, Nov 2022	$15,500	~$497
2025 top, Oct 2025	$126,000	~$61

Read the last four rows together. Buying a top versus a bottom, a year apart each time, changed the outcome by a factor of six to eight. Timing decided it, not thesis.

SECTION 04

The machine: halvings and supply

Every 210,000 blocks, roughly every four years, the block reward halves. More than 19.9 million of the 21 million coins already exist. The last fraction is mined around 2140, after which miners are paid entirely in fees.



Halving	Date	Block	Reward after	Price then	Next cycle high	Mths
Genesis	3 Jan 2009	0	50 BTC	$0	~$31 (Jun 2011)	-
First	28 Nov 2012	210,000	25 BTC	~$12	~$1,150 (Nov 2013)	12
Second	9 Jul 2016	420,000	12.5 BTC	~$650	~$19,800 (Dec 2017)	17
Third	11 May 2020	630,000	6.25 BTC	~$8,600	~$69,000 (Nov 2021)	18
Fourth	20 Apr 2024	840,000	3.125 BTC	~$64,000	~$126,000 (Oct 2025)	18
Fifth	~2028	1,050,000	1.5625 BTC	-	-	-

Whether the halving causes the cycle is disputed and the sample size is four. Liquidity, interest rates, adoption and speculation have all played major roles. The pattern in the table is a record, not a law.

SECTION 05

Four terms worth knowing

Term	Meaning
Satoshi	One hundred-millionth of a bitcoin. At $77,000 a coin, one satoshi is $0.00077.
Difficulty adjustment	Every 2,016 blocks the network retargets so blocks keep arriving every ten minutes, whatever the hashrate does. This is why China's mining ban did not slow the chain for long.
Hashrate	Total computing power securing the network, now measured in hundreds of exahashes per second. Rewriting history means outworking all of it.
Proof of work	Adam Back's Hashcash, repurposed. The cost of the electricity is the security.

SECTION 06

Regulation, outlaw to executive order

Date	Where	What happened
Mar 2013	US	FinCEN: exchanges are money transmitters
Dec 2013	China	PBOC bars banks from handling Bitcoin
Mar 2014	US	IRS rules Bitcoin is property, taxed on disposal
Jun 2015	New York	BitLicense; firms leave rather than comply
Sep 2015	US	CFTC classifies Bitcoin a commodity
Apr 2017	Japan	Recognised as a legal method of payment
Sep 2017	China	ICOs banned, exchanges ordered to close
Jun 2021	China	Mining banned
Sep 2021	El Salvador / China	Legal tender in one; all transactions illegal in the other, the same month
Oct 2022	South Africa	FSCA declares crypto assets a financial product
2024	EU	MiCA comes into force
Jan 2024	US	SEC approves spot Bitcoin ETPs
Mar 2025	US	Strategic Bitcoin Reserve established by executive order
Jul 2025	US	GENIUS Act: federal stablecoin law

SECTION 07

The critics, dated

Every one had a coherent argument. Several of those arguments are still unanswered.

When	Who	What was said	BTC then
Dec 2013	Paul Krugman	Column titled Bitcoin Is Evil	~$700
Sep 2017	Jamie Dimon	A fraud, worse than tulip bulbs	~$4,000
Oct 2017	Larry Fink	An index of money laundering	~$5,500
May 2018	Warren Buffett	Probably rat poison squared	~$9,500
Oct 2018	Nouriel Roubini	The mother of all scams and bubbles	~$6,500
Dec 2021	Charlie Munger	I wish they had never been invented	~$56,000
Jun 2022	Bill Gates	Based on greater fool theory	~$20,000

> The believers were loudest at the bottoms. The critics were loudest at the tops. In January 2024, the week his firm launched the largest Bitcoin ETF in the world, Larry Fink said he now considered it a legitimate financial instrument.

SECTION 08

Seven lessons for traders

You do not have to own a single satoshi for this history to make you better. Bitcoin runs the whole cycle of a financial mania in four years instead of forty.

1 **The cycle is universal; only the clock speed changes**
Every top coincided with a moment of maximum legitimacy: the CME launch, the Coinbase listing, the ETF era. The crowd buys legitimacy, and legitimacy is priced at the top.

2 **Deep drawdowns are the norm here, not a surprise**
Between 54% and 93% in every completed cycle. Size for the drawdown, not the return. The trader who oversizes does not get a second cycle.

3 **Leverage is the mechanism of every crash**
Black Thursday and the October 2025 cascade were not caused by news. The news was the match; leveraged longs were the fuel. Watch funding rates and open interest.

4 **Narrative moves price in the short run and saves nobody in a bear market**
Digital gold, inflation hedge, institutions are coming. Each was true at some point, and each stayed true while the price fell 77%.

5 **Counterparty risk is the risk that actually kills**
Mt. Gox, Bitfinex, Celsius, Three Arrows, FTX. None was a failure of Bitcoin; all were failures of people holding it for others. Know who holds your money.

6 **Since 2020 this is a liquidity asset**
It rallied on stimulus, fell on rate rises, topped on a tariff shock and jumped 18% on a Treasury buyback. Trading it without a macro view is trading blind.

7 **Volatility is the opportunity and the destroyer**
The same swings that make the fortunes erase the traders who mistake conviction for a plan.

SECTION 09

Sources

Satoshi Nakamoto, Bitcoin: A Peer-to-Peer Electronic Cash System (2008), and the collected posts and emails at the Nakamoto Institute · Haber and Stornetta, How to Time-Stamp a Digital Document, Journal of Cryptology (1991) · Hashcash (1997), b-money (1998), Bit Gold (2005) · BIPs 141, 148 and 341 · Mt. Gox bankruptcy filings, Tokyo District Court (2014) and the US DOJ BTC-e indictment (2017) · SEC statement on the approval of spot Bitcoin ETPs (10 January 2024) and Grayscale v. SEC, DC Circuit (2023) · COPA v. Wright, High Court of England and Wales (14 March 2024) · Executive Order 14233 (6 March 2025) and the GENIUS Act (18 July 2025) · Cambridge Centre for Alternative Finance · price data from Coinbase and Bitstamp series via TradingView, and CoinGecko for the October 2025 high.

Read the full history

The complete article runs to seven thousand words and covers the cypherpunks, Satoshi, Mt. Gox, the Blocksize War and every cycle in detail, with an interactive calculator: completetradersedge.com/history-of-bitcoin/

For four hundred years of bubbles and crashes, there is Market Mayhem. For the framework itself, Mind, Method and Money across seventy chapters, there is The Complete Trader's Edge.