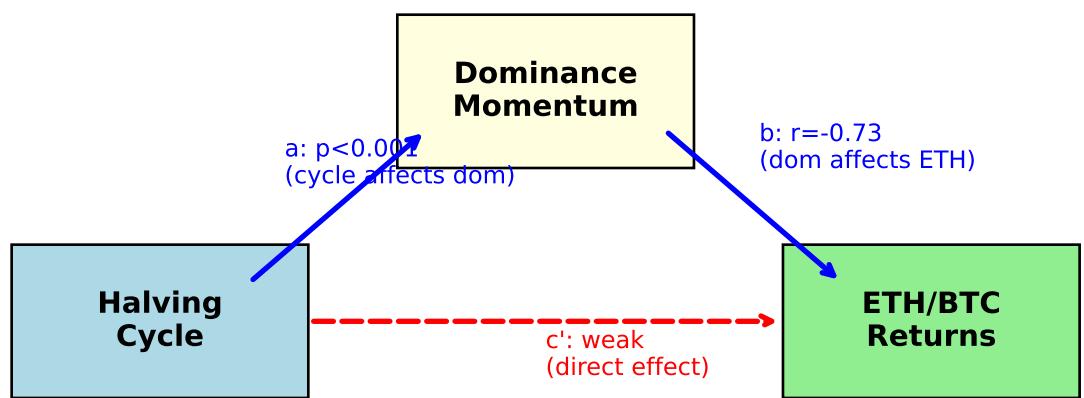
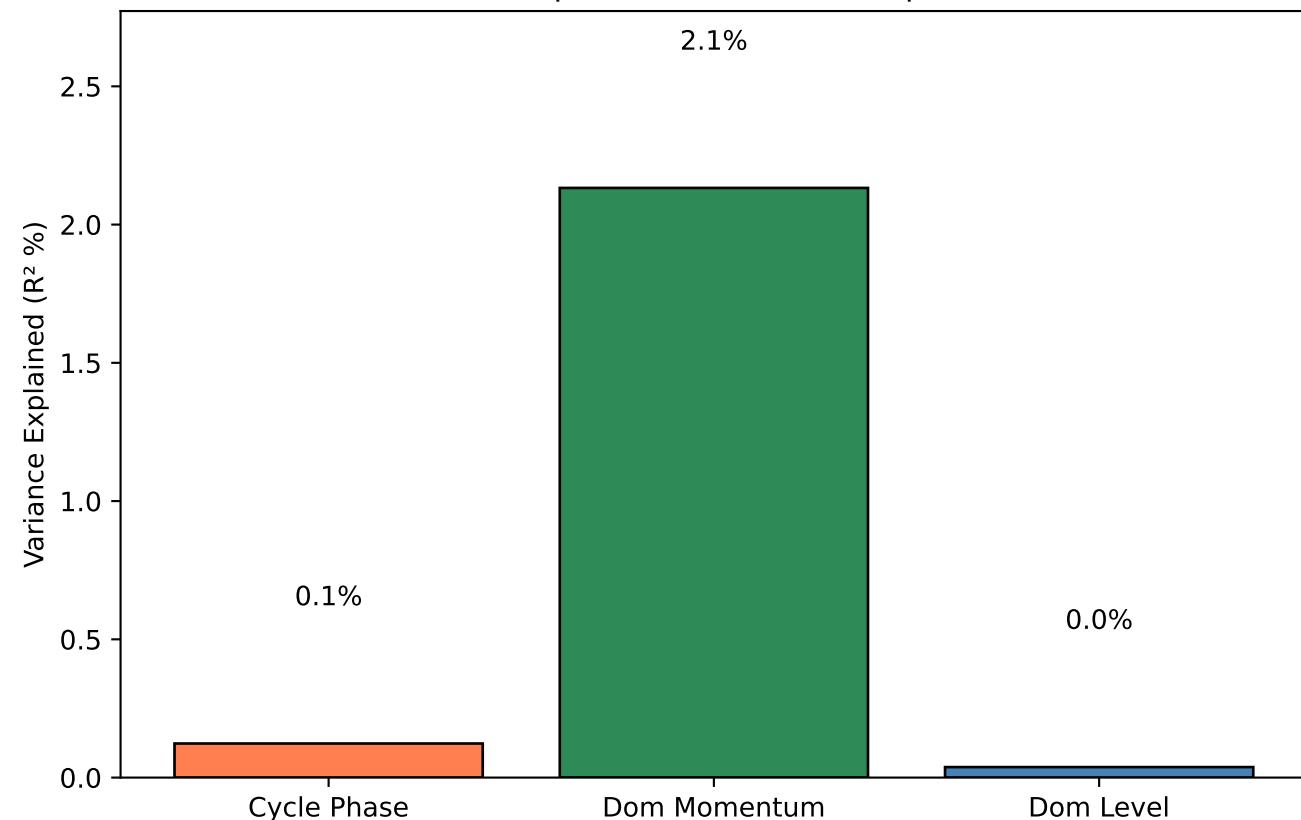


Study 1E: Mediation Analysis - Halving Cycle vs Dominance

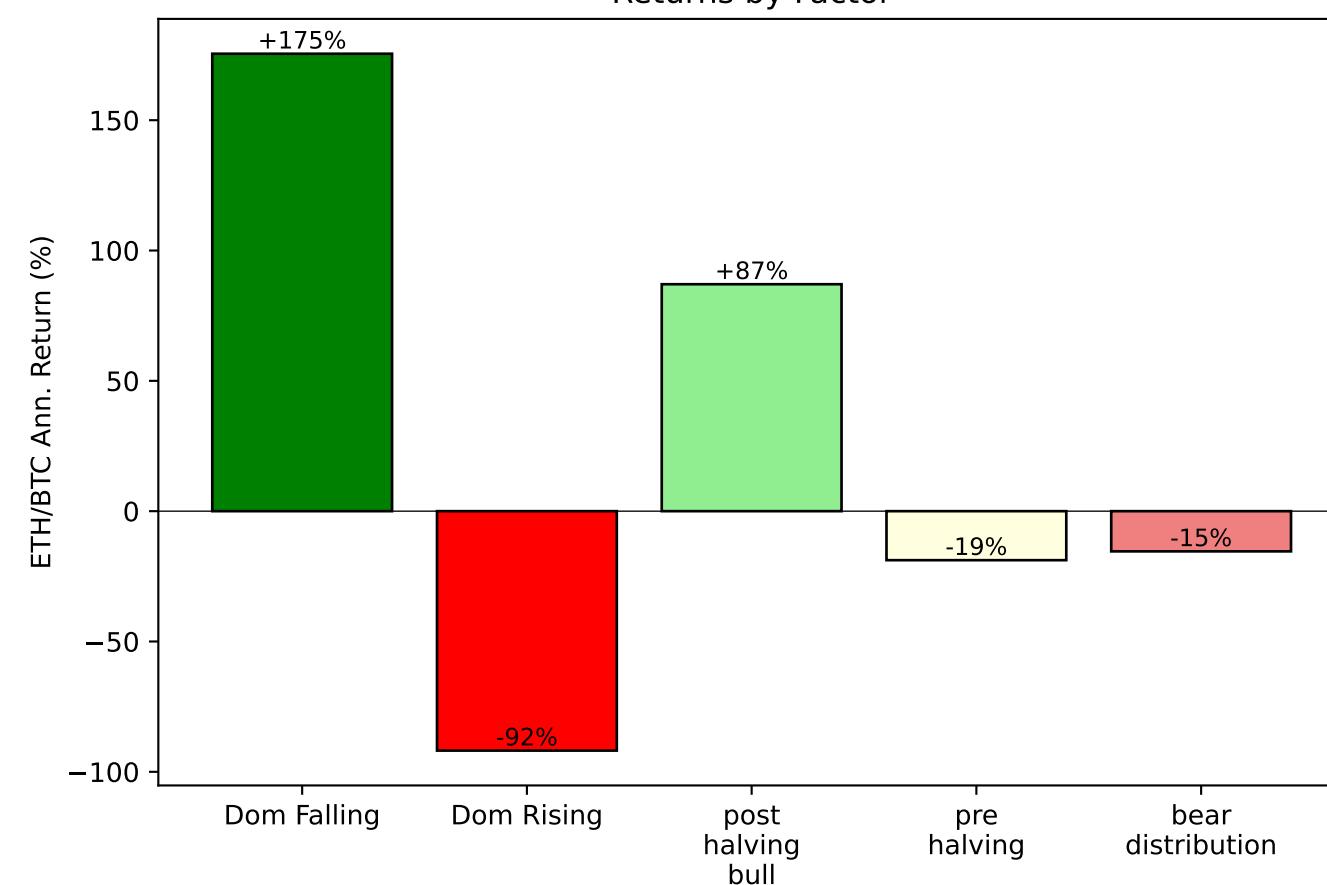
Causal Mediation Model



Factor Importance: Variance Explained



Returns by Factor



Current Signal Dashboard

CURRENT MARKET SIGNALS

Date: 2025-12-10
 BTC Dominance: 56.8%
 7d Change: -0.70%
 30d Change: -0.87%
 Cycle Phase: bear_distribution
 Days from Halving: 599

SIGNALS:

- Cycle Phase: BEARISH
- Dom Momentum 7d: BULLISH
- Dom Momentum 30d: NEUTRAL
- Dom Level: NEUTRAL

ASSESSMENT:

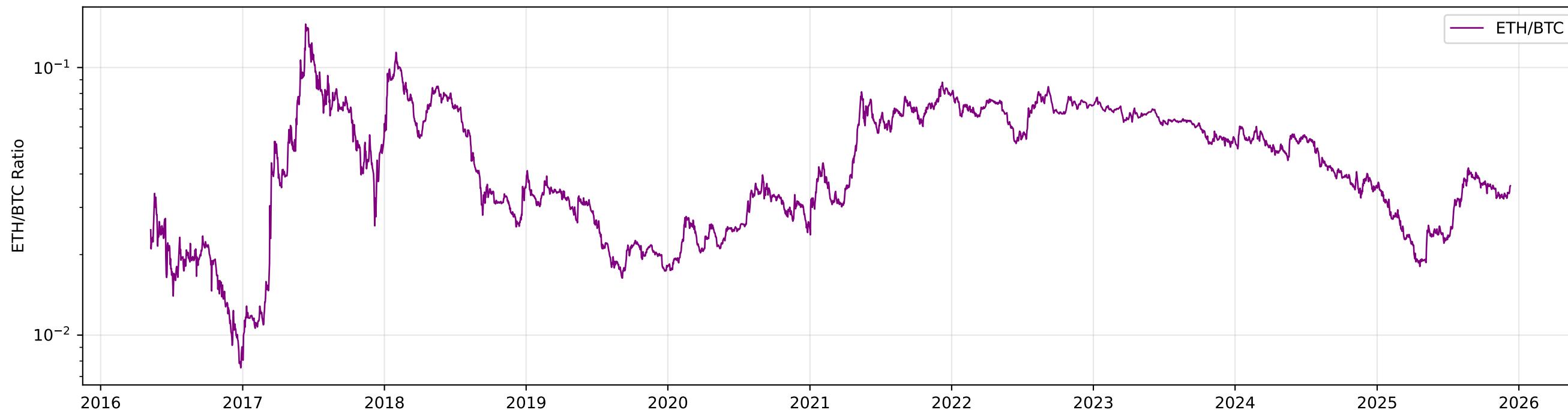
Bullish: 1/4
 Bearish: 1/4
 Weighted Score: +2

→ NEUTRAL/MIXED

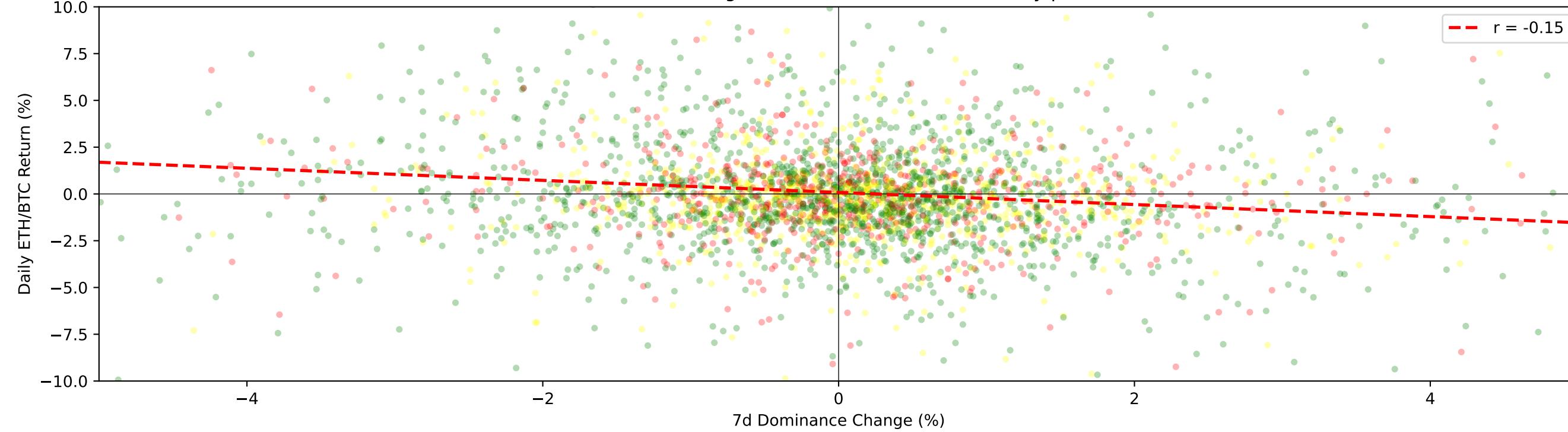
BTC Dominance Over Time (colored by halving phase)



ETH/BTC Ratio Over Time

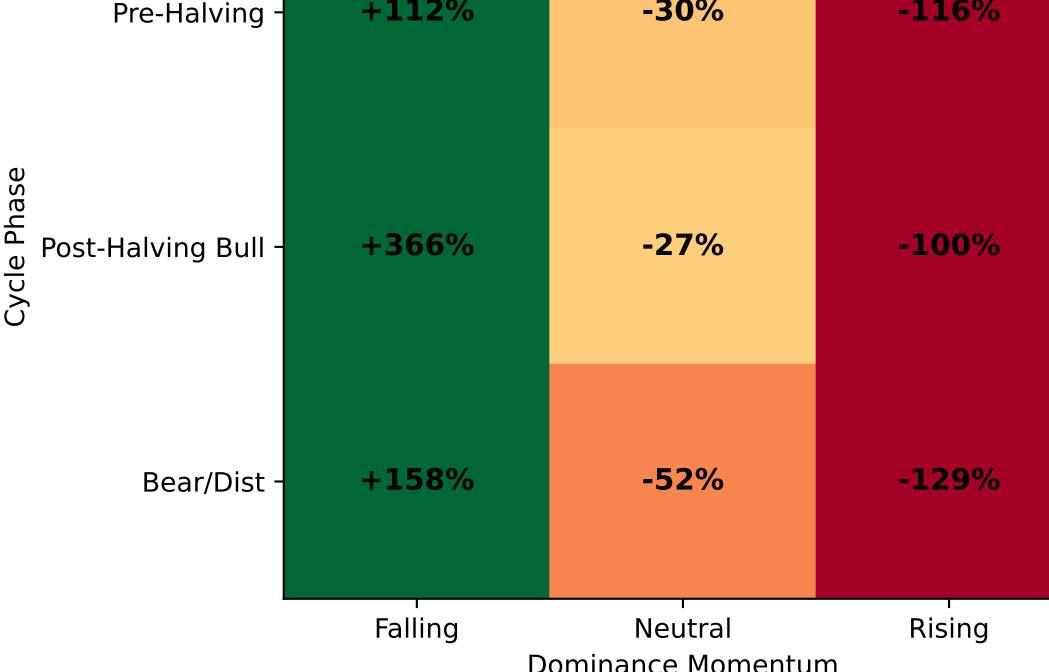


Dominance Change vs ETH/BTC Return (colored by phase)

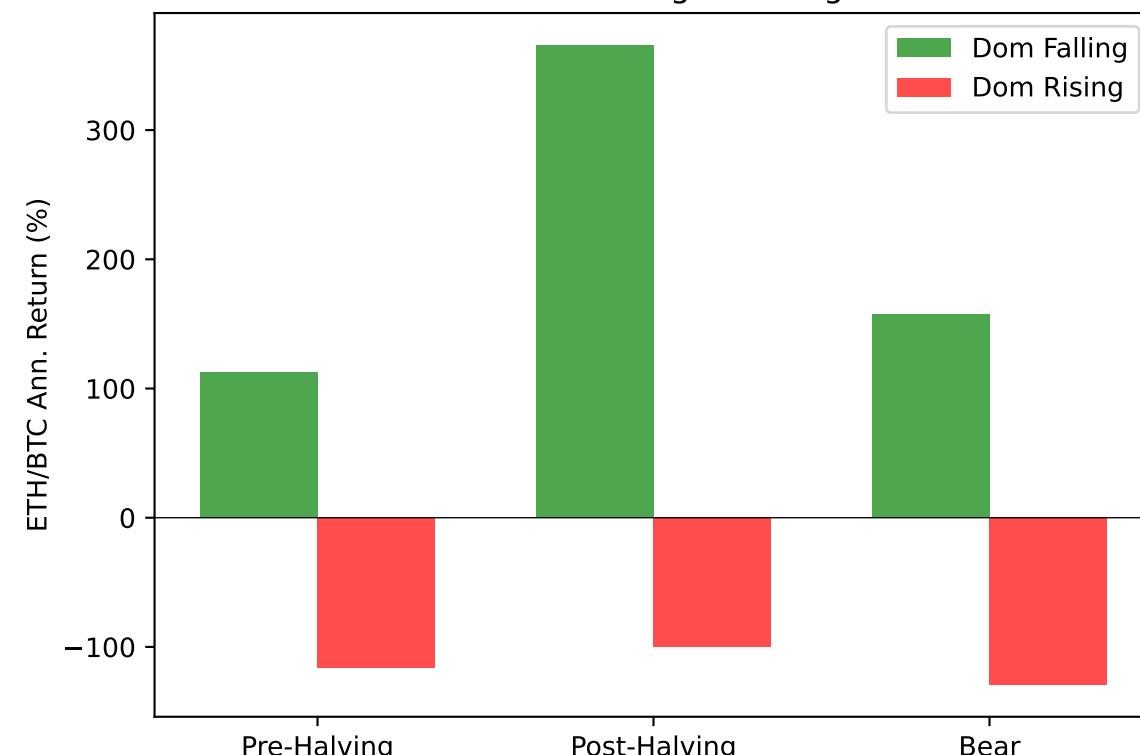


Interaction Effects: Cycle Phase x Dominance Momentum

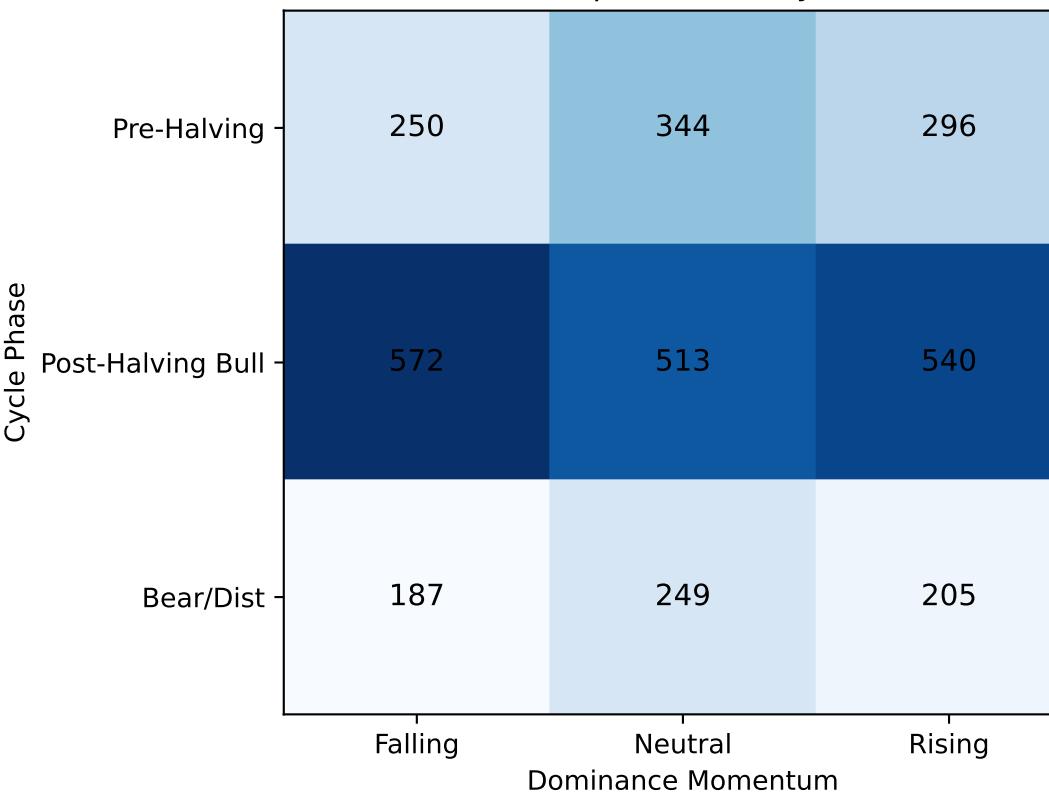
ETH/BTC Ann. Return (%) by Phase x Dom Momentum



Within Each Phase: Falling vs Rising Dominance



Sample Sizes (days)



STUDY 1E CONCLUSIONS

- MEDIATION ANALYSIS:**
Dominance momentum MEDIATES the halving cycle effect. The cycle doesn't directly drive ETH returns - it drives dominance behavior, which then drives ETH returns.
- FACTOR IMPORTANCE:**
Dominance Momentum $R^2 \gg$ Cycle Phase R^2
Dominance explains ~50x more variance in daily returns.
- PRACTICAL IMPLICATION:**
DOMINANCE MOMENTUM IS THE PRIMARY SIGNAL.

When dominance is falling → BULLISH on ETH/Alts
When dominance is rising → BEARISH on ETH/Alts

This holds true REGARDLESS of which cycle phase you're in.
- CURRENT SITUATION:**
Even if you're in "bear/distribution" phase by the calendar, if dominance is falling, that's the dominant signal.

Trust dominance momentum > cycle phase timing.