

Market Pulse: April 2026

Digital Assets, Traditional Finance & Macro Outlook

Teroux | Digital Assets Research

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Executive Summary

March 2026 was characterized by a steady regaining of momentum as market participants revised their outlook. Following a period of price volatility, the crypto landscape benefited from a notable recovery in ETF inflows, totaling approximately \$2.2 billion during the period. This renewed demand provided a supportive cushion for Bitcoin, allowing it to navigate the month with a sense of resilience and move toward a more constructive phase of growth.

The geopolitical backdrop remained a focal point, as shifting relations between the United States, Israel, and Iran introduced layers of complexity to global markets. While these tensions typically prompt cautious behavior, the digital asset space showed maturity in how it absorbed the news. Bitcoin effectively consolidated within a range between \$68,000 and \$74,000, demonstrating an ability to hold its ground despite external pressures. This range-bound activity suggests that the market is finding a comfortable equilibrium, successfully processing regional shocks without losing its overall upward lean.

On the macroeconomic front, the Federal Reserve opted to maintain current interest rates at the 3.50% to 3.75% target range. This move provides clarity but also signals a watchful approach toward liquidity for the remainder of the year as the market monitors the 2% inflation target. Despite these broader concerns, the steady price action and the absorption of geopolitical headlines reflect an optimistic underlying trend. The market's capacity to handle these variables while staying within a solid price corridor points to a strengthening foundation for the long term.

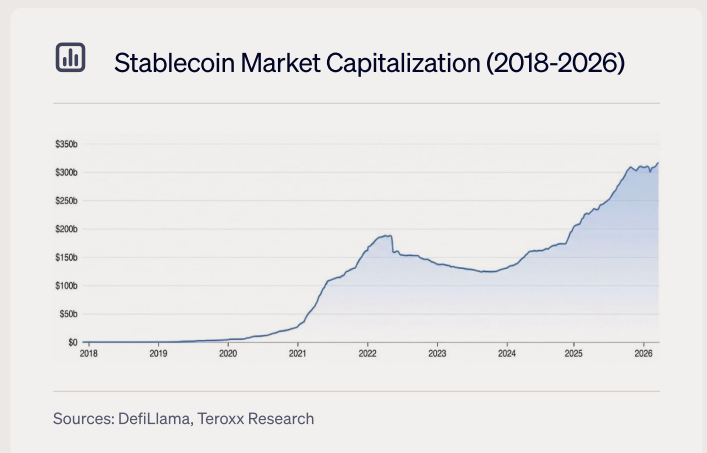
Key Takeaways:

- **BlackRock ETHB Launch:** iShares debuted the first Staked ETH Trust (ETHB), offering institutional investors a direct 2.4% staking yield alongside spot exposure.
- **MSTR Accumulation:** Strategy Inc. increased its holdings to 762,099 BTC, now controlling over 3.6% of the total supply.
- **U.S. Debt Breaches \$39T:** The national debt officially crossed the \$39 trillion mark on March 17, just five months after hitting \$38 trillion. Interest payments are now projected to exceed \$1 trillion annually, surpassing the entire defense budget.
- **Bond Yield Surge:** The 10-year yield has climbed to >4.40% during the month, significantly overextended compared to fair value estimates of 3.90%.

Chart of the Month

The stablecoin market has reached a historic \$316 billion capitalization in March 2026, driven by its evolution into a global payment infrastructure. This growth occurs as the sector decouples from broader digital asset volatility, fueled by record institutional minting and the expansion of tokenized real-world assets.

The milestone coincides with a critical breakthrough for the Clarity for Payment Stablecoins Act, which has cleared major legislative hurdles following a compromise in the Senate. The core tension involves a proposed ban on passive yield, a move pushed by traditional banks to prevent a deposit flight from savings accounts into higher yielding digital dollars



Market Performance – February Review

Equities - Volatility Outlook

The recent trading period has been marked by a recalibration of risk, influenced by ongoing developments in artificial intelligence and the evolving geopolitical landscape.

Year-to-Date (YTD) Performance Summary:

- BTC: -22.4%
- ETH: -30.0%
- S&P 500: -6.8%
- NASDAQ: -9.6%

Key Insight

The market is currently navigating a period of gradual maturation as investors refine their expectations regarding the long-term integration of artificial intelligence. With the S&P 500 showing a YTD adjustment of 6.8% and the NASDAQ at 9.6%, the broader landscape is becoming more selective. The technology sector is undergoing a steady re-evaluation as the market distinguishes between firms effectively adopting AI-driven efficiencies and those still aligning their models with new standards.

Digital assets have shown sensitivity during this phase of portfolio alignment, reflecting a standard cycle of market adjustment. With Bitcoin and Ethereum seeing YTD shifts of 22.4% and 30.0% respectively, capital is currently leaning toward more stable liquidity positions.

This defensive posture is further supported by the U.S. 10-Year Treasury yield at 4.35%. This level is a key benchmark for global interest rates; as these yields remain elevated, they naturally increase the "cost of capital" and tend to moderate the valuations of higher-risk assets. This environment encourages a thoughtful and patient posture as market participants look for long-term clarity on corporate resilience and interest rate stability.

¹ Source: TradingView, Teroux

Asset Performance by Key Asset Classes

Digital Asset Majors	Market Cap	Current Price	7D Change	30D Change	YTD Change
BTC	\$1.4 tn	\$67,910	-4.2%	1.81%	-22.4%
ETH	\$250.5 bn	\$2,075	-3.5%	5.62%	-30.0%
SOL	\$48.5 bn	\$85	-7.4%	0.26%	-32.0%

Equities	Market Cap	Current Price	7D Change	30D Change	YTD Change
S&P 500 (\$)	~58.0 tn	6,393	-2.86%	-7.10%	-6.8%
NASDAQ (\$)	~49.0 tn	21,002	-4.30%	-7.68%	-9.6%
DAX40 (€)	~2.4 tn	22,433	-0.97%	-8.95%	-8.6%

Currencies	Current Price	7D Change	30D Change	YTD Change
Euro (€/€)	\$1.15	1.20%	3.04%	2.5%
Pound (£/\$)	\$1.32	-1.74%	-2.17%	-2.1%
Yen (\$/¥)	¥159	0.63%	2.20%	1.8%

Source: Artemis Terminal, Google Finance, Investing.com, TradingView, Teroux Research

BTC, ETH & Crypto Market Cap Performances (2026-YTD)



¹ Source: TradingView, Teroux Research

Story of the Month

The Rising of Institutional DAT Holdings

Digital Asset Treasuries (DATs) have demonstrated a consistent and steady accumulation of digital assets from early 2025 through March 2026. While Bitcoin shows a linear upward trend, both Ethereum and Solana experienced a significant breakout in the second half of 2025, reflecting a clear institutional shift toward diversifying treasury holdings.

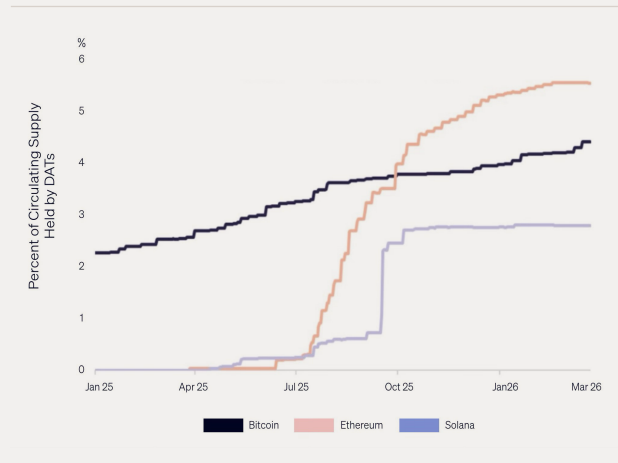
In terms of specific volume, companies now hold a total of 1.16 million Bitcoin. This institutional demand is even more evident in Ethereum's trajectory, which surpassed Bitcoin in terms of the percentage of circulating supply held; DATs now control 6.6 million ETH, accounting for 5.52% of the total token supply by the end of the period shown.

The Great Tech Rotation

The "Magnificent Seven" have faced a strategic retreat throughout March 2026. After years of leading Wall Street, this group is showing signs of fatigue, with all seven stocks underperforming the S&P 500 this month. This downturn is largely fueled by investor skepticism regarding the significant capital expenditures required for AI infrastructure, as the top hyperscalers are projected to spend nearly \$700 billion this year, a sum many fear will take years to yield a clear return.

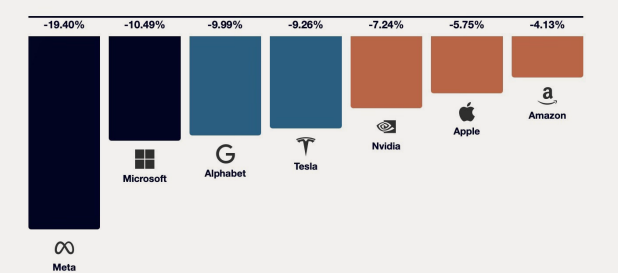
The performance data for March reveals the extent of this cooling period. Meta has seen the most significant decline at 19.40%, followed by Microsoft at 10.49% and Alphabet at 9.99%. Tesla and Nvidia also faced pullbacks of 9.26% and 7.24% respectively, while Apple dropped 5.75% and Amazon fell 4.13%. This collective movement suggests that the market is beginning to broaden, as capital rotates away from these established tech giants in search of new growth opportunities across the wider economy.

Percent of Circulating Supply Held by DAT's



Source: Trading View, Teroxx Research

The Magnificent Seven Returns - March 2026



Source: CoinMarketCap, Polymarket, Teroxx Research

Macro Outlook & Monetary Policy

The current economic landscape reflects a transition in market expectations as major financial institutions evaluate the intersection of inflation and recessionary forecasts. Moody's Analytics maintains a 50 percent probability of a United States economic recession within the next twelve months, while Goldman Sachs and EY Parthenon have issued more moderated projections at 30 percent and 40 percent respectively. This data suggests that while caution remains a priority, the prevailing narrative is moving toward a state of focused vigilance as the Federal Reserve balances its mandate of price stability and maximum employment.

Regarding monetary policy, the consensus for immediate rate reductions has moderated in light of recent price dynamics. Federal Open Market Committee Vice Chair Philip Jefferson recently indicated that while fluctuations in oil prices and tariff uncertainties complicate the short term picture, the current policy stance is positioned to respond to a range of outcomes. For the upcoming meeting on April 28 and 29, the CME FedWatch Tool indicates that market odds suggest the Federal Reserve will remain on hold, with a 6.2 percent probability of a rate hike.

The fixed income sector serves as a primary indicator for these shifting expectations with Treasury bonds reflecting a transition toward a sustained interest rate environment. The 10 year Treasury yield recently reached 4.46 percent, its highest level since last July, as investment portfolios adjust to account for a more hawkish central bank stance. This movement in yields indicates that the market is pricing in a period of structural stability rather than anticipating the rapid easing cycles predicted earlier in the year.

At the shorter end of the curve, the 2 year Treasury yield has reached 4 percent, reinforcing the expectation of a prolonged period of elevated rates. It is notable that these yields have diverged from recent commodity trends where West Texas Intermediate crude remained relatively flat with a decline of less than 1 percent over a ten day period while Brent crude lost 3 percent. This divergence suggests that the bond market is prioritizing the Federal Reserve's long term reaction function and broader inflationary risks over temporary volatility in the energy sector.

U.S 10-Year Treasury Bond Yield

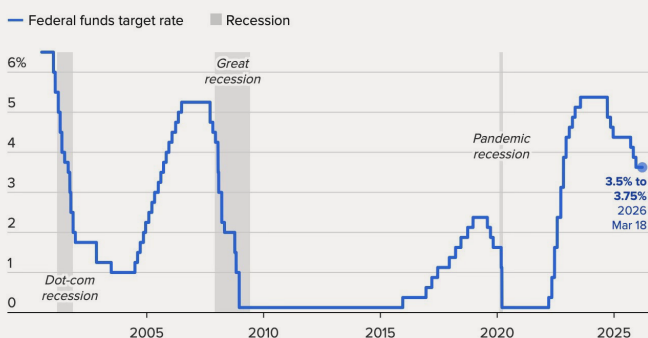


Source: CME Group, Teroxx Research

Current data highlights a significant change in sentiment compared to previous months. While the probability of a rate cut by September was greater than 90 percent one month ago, those odds have decreased and been replaced by a 20 percent probability of a rate hike. Furthermore, sentiment within prediction markets such as Polymarket reflects a 40 percent chance that there will be no rate cut throughout 2026 and a 25 percent probability of an additional hike later this year.

In conclusion, financial markets have moved from speculative optimism toward a more pragmatic framework. The stabilization of Treasury yields at these levels provides a clearer path for institutional planning, suggesting an economy that is successfully adjusting to tighter conditions without moving toward an imminent recession.

Federal Reserve Interest Rates



Source: CME Group, Teroxx Research

Digital Asset Market Performance – Intersection with TradFi

As March 2026 concluded, the divergence among crypto equities became more pronounced, as market leadership shifted toward specific utility based models. While the broader sector experienced a period of consolidation, the landscape reflected a transition for most infrastructure firms, with corporate fundamentals and regulatory positioning now serving as the primary drivers of stock performance.

Performance Summary and Key Insights

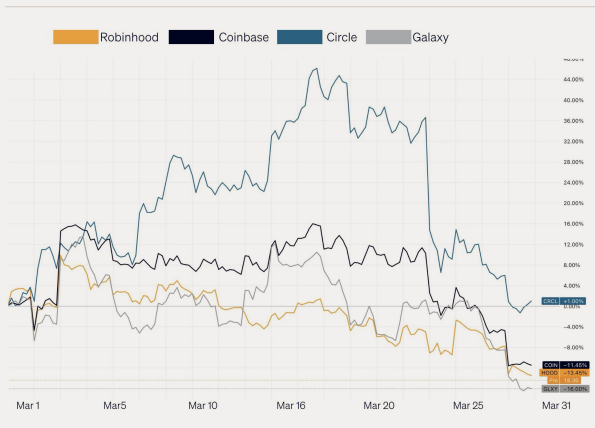
- Circle (CRCL): Remained the primary outperformer, ending the period with a modest gain of +1.00%, after returning from mid month peaks of over 44%.
- Sector Participants: Other industry firms saw their valuations soften, with Coinbase (COIN) recording a decline of 11.45%, Robinhood (HOOD) at 13.45%, and Galaxy Digital (GLXY) finishing at 16.00%.
- Structural Divergence: The data suggests a rotation of capital toward firms with clear operational utility, as investors move away from the high beta volatility typically associated with retail trading platforms and asset managers.

Performance of "Crypto" Equities (March 2026)

Ticker	March Return
Circle	+1.00%
COIN	-11.45%
HOOD	-13.45%
GLXY	-16.00%

Sources: TradingView, Teroux Research

Performance of "Crypto" Equities (March 2026)



Source: TradingView, Teroux Research

The Circle Catalyst

The performance of Circle was primarily supported by the legislative progress of the Clarity for Payment Stablecoins Act, which reached a critical milestone in late March. The anticipated passage of this framework has provided Circle with a significant competitive advantage by formalizing its status as a regulated issuer of payment stablecoins. While its peers adjusted to shifting market volumes, Circle benefited from its strategic alignment with this new federal oversight. Despite the retracement from its monthly highs, the stock's ability to maintain a positive return (+1%) highlights its decoupling from the broader trend currently affecting brokerage focused firms.

What This Means

The market is increasingly treating crypto equities as distinct assets rather than a unified class. Returns are now more closely tied to a firm's specific business model such as Circle's interest income potential and the legal certainty provided by the Clarity Act rather than simple exposure to token prices. This shift marks a maturing phase where investors prioritize balance sheet consistency and core infrastructure over speculative momentum. Consequently, firms with diversified revenue streams and regulatory tailwinds are beginning to separate themselves from those solely dependent on market volatility to drive earnings.

March Outlook & Portfolio Strategy

Market Resilience: Terminating the Five Month Negative Streak

March 2026 concluded with a decisive +1.81% return, effectively ending the five month contraction that began in late 2025. By reversing the downward momentum of February's 14.94% adjustment, this monthly close serves as a notable trend exhaustion signal. Historically, breaking such an extended sequence of negative monthly candles suggests the potential completion of a speculative flush. This transition toward neutral positive stability indicates the market has largely absorbed the 2018 style correction, establishing a more robust structural foundation for the next expansionary phase.

Bitcoin Monthly Returns %

Time	January	February	March	April	May	June	July	August	September	October	November	December
2026	-10.17%	-14.94%	+1.81%	-0.21%								
2025	+9.29%	-17.39%	-2.3%	+14.08%	+10.99%	+2.49%	+8.13%	-6.49%	+5.16%	-3.69%	-17.67%	-2.97%
2024	+0.62%	+43.55%	+16.81%	-14.76%	+11.07%	-6.96%	+2.95%	-8.6%	+7.29%	+10.76%	+37.29%	-2.85%
2023	+39.63%	+0.03%	+22.96%	+2.81%	-6.98%	+11.98%	-4.02%	-11.29%	+3.91%	+28.52%	+8.81%	+12.18%
2022	-16.68%	+12.21%	+5.39%	-17.3%	-15.6%	-37.28%	+16.8%	-13.88%	-3.12%	+5.56%	-16.23%	-3.59%
2021	+14.51%	+36.78%	+29.84%	-1.98%	-35.31%	-5.95%	+18.19%	+13.8%	-7.03%	+39.93%	-7.11%	-18.9%
2020	+29.95%	-8.6%	-24.92%	+34.26%	+9.51%	-3.18%	+24.03%	+2.83%	-7.51%	+27.7%	+42.95%	+46.92%
2019	-8.58%	+11.14%	+7.05%	+34.36%	+52.38%	+26.67%	-6.59%	-4.6%	-13.38%	+10.17%	-17.27%	-5.15%
2018	-25.41%	+0.47%	-32.85%	+33.43%	-18.99%	-14.62%	+20.96%	-9.27%	-5.58%	-3.83%	-36.57%	-5.15%
2017	-0.04%	+23.07%	-9.05%	+32.71%	+52.71%	+10.45%	+17.92%	+65.32%	-7.44%	+47.81%	+53.48%	+38.89%
2016	-14.83%	+20.08%	-5.35%	+7.27%	+18.78%	+27.14%	-7.67%	-7.49%	+6.04%	+14.71%	+5.42%	+30.8%
2015	-33.05%	+18.43%	-4.38%	-3.46%	-3.17%	+15.19%	+8.2%	-18.67%	+2.35%	+33.49%	+19.27%	+13.83%
2014	+10.03%	-31.03%	-17.25%	-1.6%	+39.46%	+2.2%	-9.69%	-17.55%	-19.01%	-12.95%	+12.82%	-15.11%
2013	+44.05%	+61.77%	+172.76%	+50.01%	-8.56%	-29.89%	+9.6%	+30.42%	-1.76%	+60.79%	+449.35%	-34.81%
Average	+2.81%	+11.11%	+11.47%	+12.12%	+8.18%	-0.14%	+7.60%	+1.12%	-3.08%	+19.92%	+41.12%	+4.16%
Median	+0.29%	+11.68%	-0.24%	+5.04%	+9.51%	+2.20%	+8.20%	-7.49%	-3.12%	+14.71%	+8.81%	-2.97%

Source: Coinglass, Terroxx Research

Geopolitical Decoupling Amid Middle East Instability

The performance in March was particularly significant given the severe geopolitical turbulence. Despite escalating conflict in the Middle East which pressured global risk assets and drove Brent Crude above \$100 per barrel, digital assets demonstrated a distinct decoupling effect. While traditional equities faced significant drawdowns due to regional instability, Bitcoin's ability to remain green suggests that macro uncertainty is increasingly priced in. The \$65,000 to \$70,000 zone has now emerged as a probable Institutional Value Floor, maintaining stability even amidst heightened political volatility.

Outlook: Strategic Shift to a Constructive Phase

As the market enters Q2, the narrative has shifted from defensive consolidation to active accumulation. The termination of the negative streak, paired with resilience against major energy driven shocks, validates current price levels as a potential entry window. With technical indicators suggesting that sell side pressure may be reaching exhaustion, the focus turns toward the restoration of consistent institutional buy side activity. For long term allocators, the March close represents a transition out of the defensive cycle, providing a technical signal to begin restoring exposure ahead of the next valuation recovery.

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