

Market Pulse: March 2026

Digital Assets, Traditional Finance & Macro Outlook

Teroux | Digital Assets Research

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Executive Summary

February 2026 was defined by Bitcoin's struggle to maintain its footing amidst a cooling macro environment. After opening the month at \$78,000, the asset faced sustained downward pressure that pulled prices into the \$66,000 range. This 14.9% correction reflects a broader de-risking phase as investors pivot toward defensive postures, testing psychological floors while seeking a new equilibrium.

The month's narrative was weighed down by an escalation in tensions between the United States and Iran regarding the latter's accelerated uranium enrichment program. As diplomatic channels faced renewed friction, the specter of Middle Eastern instability triggered a flight to safety that pressured liquidity in digital assets. Simultaneously, the domestic front saw President Trump initiate a bold new push for global tariffs following a contentious legal impasse with the Supreme Court. This executive maneuver has introduced uncertainty into global trade, heightening concerns regarding inflationary pressure and complicating the trajectory for growth assets.

Adding to the market's turbulence, investors are now grappling with the potential for structural disruption caused by Artificial Intelligence, fearing that its rapid integration may outpace current corporate profit models. The new Anthropic announcements lead to a notable slump in tech stocks, which spilled over into the crypto space, as a generalized exit from risk-on assets forced a liquidity drain. Despite this period of market volatility, the stabilization near \$69,000 suggests that while speculative cycles are resetting, the underlying structural integrity of the market remains focused on establishing a sustainable long-term floor.

Key Takeaways:

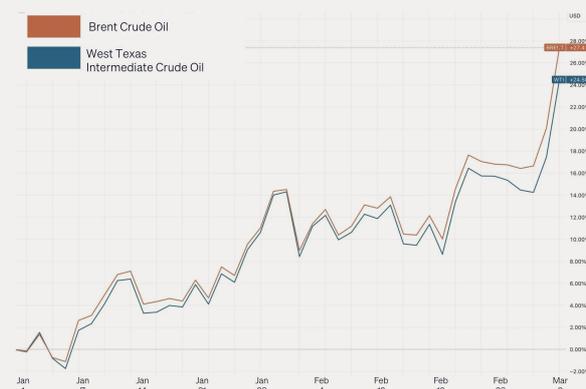
- U.S. GDP Growth: The economy expanded at a modest 1.4% annualized rate in Q4 2025, falling significantly short of the 2.5% Dow Jones forecast.
- Spot gold climbs to \$5,100 level. as U.S. tariff uncertainty and impending nuclear talks fuels safe-haven demand.
- AI leader Nvidia reported record quarterly revenue of \$68.1 billion, up 20% from the previous quarter and marking a significant 73% year-over-year increase as demand for AI hardware remains robust.
- Strategy Inc. finalized its 100th Bitcoin acquisition, purchasing 592 BTC for a total holding of 720,737 BTC

The Barrel Paradox

Crude oil has experienced a volatile ascent in early 2026, as the reality of direct military engagement redraws the global energy map. While Brent futures recently touched \$83 and WTI settled near \$76, the market is no longer merely pricing in the threat of conflict, but the immediate impact of strikes and counterattacks between the U.S., Israel, and Iran. Although U.S. crude stocks surged by 16 million barrels, exceeding expectations, this data has been overshadowed by a sustained war premium as military assets remain fully deployed across the region.

This pricing paradox reflects a landscape where traditional supply fundamentals are eclipsed by systemic security risks. With the conflict now active, Saudi Arabia has activated emergency export protocols to mitigate disruptions in the Strait of Hormuz. Furthermore, the implementation of a 10% global tariff has injected a layer of trade uncertainty that complicates the long term demand outlook. As OPEC+ prepares for its March meeting to debate production adjustments, oil remains a central pillar of geopolitical leverage in an increasingly unstable global environment.

 Crude Oil Prices (2026-YTD)



Sources: Investing.com, Teroux Research

Market Performance – February Review

Equities - Volatility Outlook

The most recent trading period was characterized by a profound repricing of risk, exacerbated by the structural disruption of artificial intelligence and heightened geopolitical volatility.

Year-to-Date (YTD) Performance Summary:

- BTC: -24.1%
- ETH: -34.1%
- S&P 500: +0.3%
- NASDAQ: -2.4%

Key Insights

The market is currently navigating a period of natural maturation as investors refine their expectations regarding the long-term integration of artificial intelligence. While the S&P 500 has maintained a resilient trajectory, the broader landscape is becoming more selective. The technology sector, particularly software and services, is undergoing a healthy re-evaluation as the market distinguishes between firms effectively capturing AI-driven efficiencies and those adapting their models to these new standards. This discernment, combined with the ongoing need to navigate geopolitical complexities in global supply chains and energy markets, has naturally increased short-term volatility.

Digital assets have displayed heightened sensitivity during this phase of portfolio optimization, reflecting a standard cycle of de-leveraging. With Bitcoin adjusting by 24.1% and Ethereum shifting by 34.1% YTD, capital is currently rotating toward more conservative liquidity positions as a strategic preference. Ultimately, the evolution of AI-driven structural shifts alongside a complex macroeconomic backdrop is encouraging a more thoughtful, defensive posture, as market participants patiently look for sustained clarity on corporate earnings resilience.

¹ Source: TradingView, Teroux

Asset Performance by Key Asset Classes

Digital Asset Majors	Market Cap	Current Price	7D Change	3D Change	YTD Change
BTC	\$1.3 tn	\$66,407	2.8%	-15.65%	-24.1%
ETH	\$ 235.3 bn	\$1,956	5.5%	-19.97%	-34.1%
SOL	\$ 47.5 bn	\$84	7.7%	-20.5%	-32.7%

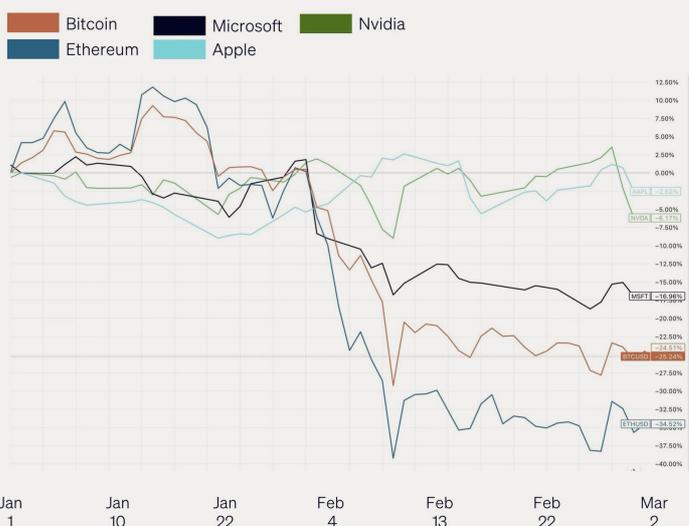
Equities	Market Cap	Current Price	7D Change	30D Change	YTD Change
S&P 500 (\$)	~58.0 tn	6,879	0.60%	-1.40%	0.3%
NASDAQ (\$)	~49.0 tn	22,668	0.18%	-3.92%	-2.4%
DAX40 (€)	-2.4 tn	24,772	-0.88%	-0.10%	0.9%

Rates	Yield	7D Change	30D Change	YTD Change
US 10-Year Treasury	3.96	2.77%	-1.2%	-11.1%
10-Year Bund	2.65	1.13%	-1.8%	-1.5%

Currencies	Current Price	7D Change	30D Change	YTD Change
Euro (€/\$)	\$1.17	0.45%	0.96%	0.1%
Pound (£/\$)	\$1.34	-0.92%	-2.33%	-0.7%
Yen (\$/¥)	¥157	1.42%	1.36%	0.1%

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

Key Assets Performances (2026-YTD)



¹ Source: TradingView, Teroux Research

Story of the Month

The Claude Effect

This month's data highlights a noteworthy evolution in the software and cybersecurity sector as the rapid maturation of tools like Claude begins to reshape traditional business models. Anthropic's latest security integrations, which offer autonomous code scanning, have prompted a proactive re-evaluation of current market structures. Industry leaders like CrowdStrike and Palo Alto Networks have experienced a valuation adjustment, with both seeing a shift of approximately 32% since November 2025, as investors weigh how emerging AI efficiencies may integrate with established security platforms.

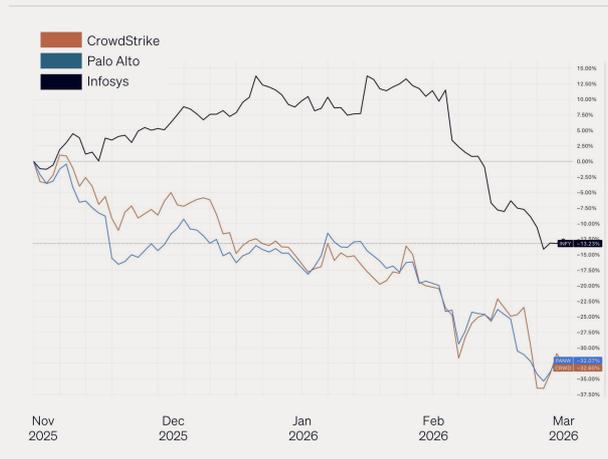
This "Claude effect" has extended across the enterprise software and IT services landscape, including a re-assessment for firms like Infosys, which saw a decline of approximately 13% this period. This transition reflects a broader trend of portfolio optimization, where capital is being reallocated away from higher-volatility categories as the market processes the pace of AI-driven change. While leadership teams continue to emphasize the enduring value of their platforms, current market sentiment suggests a preference for patience, indicating that the intersection of software and digital assets will remain in a transition phase until the long-term utility of these AI integrations is fully established.

Clarity Act: Resilience and Recovery

Optimism around the CLARITY Act has stabilized at 67.5% following a period of adjustment. Confidence in prediction markets dipped mid-month as Senate negotiations slowed, but sentiment recovered as President Trump encouraged the bill's advancement, emphasizing the importance of U.S. leadership in digital finance. Addressing discussions regarding stablecoin yield structures, the President advocated for the bill's prompt passage to ensure the domestic market remains competitive and continues to prioritize economic opportunities for Americans.

With the White House facilitating ongoing talks between banking and crypto representatives, and Ripple CEO Brad Garlinghouse noting a high probability of passage by April, the market is pricing in a 2026 enactment. This rebound highlights a continued expectation that regulatory clarity is attainable, as stakeholders work toward a consensus that balances sector interests and supports broader legislative goals.

 Performance of Cybersecurity Firms (Nov 2025 – Mar 2026)



Source: Trading View, Teroxx Research

 Clarity Act signed into law in 2026? (Yes)



Source: CoinMarketCap, Polymarket, Teroxx Research

Macro Outlook & Monetary Policy

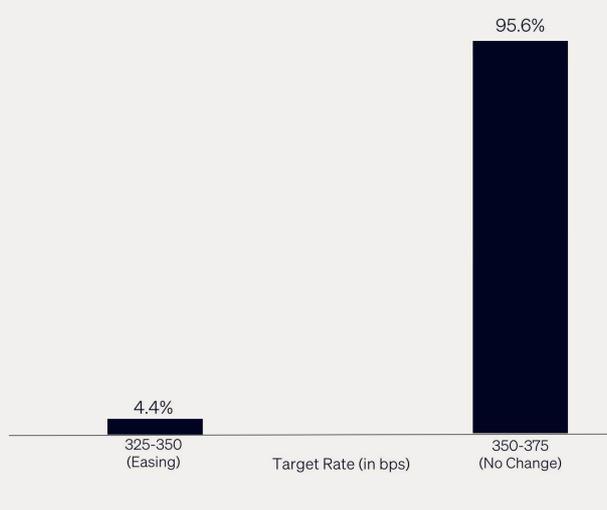
The Federal Reserve is widely anticipated to maintain its benchmark interest rate within the 3.50% to 3.75% range at the upcoming meeting, with market pricing now assigning a 95.6% probability to this outcome. This pause reflects the central bank's growing difficulty in navigating a complex landscape defined by persistent domestic inflation and heightened geopolitical instability. With inflation trending toward a 3% annual rate at the wholesale level and core personal consumption expenditures potentially hitting a two-year high, the case for easing monetary policy is rapidly losing its foundation.

The geopolitical climate has added a volatile layer of complexity to the Fed's mandate. Tensions following the prospect of conflict with Iran have ignited concerns over spike in oil prices. Analysts warn that should such a conflict escalate, it could force the Federal Reserve to pivot toward a hawkish stance, potentially necessitating interest rate hikes rather than the anticipated cuts. This scenario is further complicated by the current administration's aggressive tariff policies, which appear to be passing higher costs directly to consumers and fueling inflationary pressures that policymakers previously hoped would remain transitory.

Domestically, the economic outlook has shown surprising resilience, which is further narrowing the policy space for monetary easing. Recent data from the International Monetary Fund suggests robust growth and a stable labor market, leading many to believe that the Federal Reserve will have only limited capacity to reduce rates throughout the year. The rising confidence among corporate executives, coupled with an economy showing little sign of significant contraction, has caused investors to reconsider their timelines for policy shifts. Many market participants are now pushing their expectations for the first potential rate cut further into the second half of the year.

Despite these significant headwinds, some observers remain cautious about predicting an immediate shift to a restrictive bias. The Fed remains caught between the political pressure to support growth and the empirical reality of heating inflation. As the central bank prepares for a leadership transition, the combination of energy price shocks and stubborn core inflation creates a challenging environment where the traditional arguments for lower rates are evaporating. The Federal Reserve now faces the difficult task of managing these compounding risks without further destabilizing an economy already grappling with the inflationary impact of new trade policies.

 Target Rate Probabilities for March 18th 2026 Meeting



Source: CME Group, Teroxx Research

Digital Asset Market Performance – Intersection with TradFi

As February 2026 concluded, the divergence among crypto equities persisted, marked by a shift in market leadership compared to the previous month. While the sector as a whole experienced varied performance, the landscape reflected a change in momentum for specific infrastructure firms, with corporate developments and regulatory updates influencing valuations more directly than general trends in digital assets prices.

Performance Summary & Key Insights

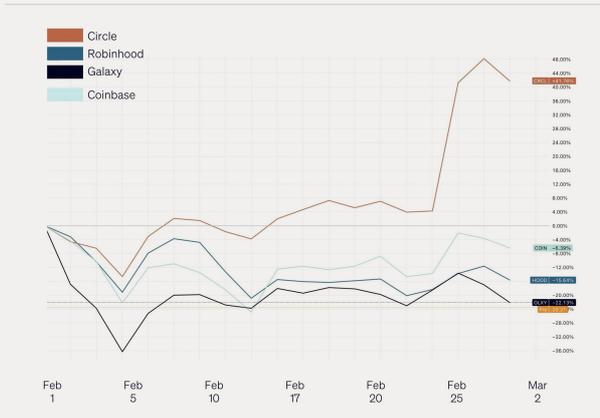
- Circle (CRCL): Cemented its position as the clear market leader, achieving a remarkable surge of +41.76% for the period.
- Sector Laggards: Other major industry stocks faced continued downward pressure, with Coinbase (COIN) recording a decline of -6.39%, Robinhood (HOOD) falling by -15.64%, and Galaxy Digital (GLXY) trailing at -22.13%. Structural Divergence:
- The data highlights that investors are rotating capital toward firms with perceived regulatory tailwinds, effectively abandoning those that previously benefited from political speculation.

Performance of "Crypto" Equities (February 2026)

Ticker	January Return
Circle	+41.76%
COIN	-6.39%
HOOD	-15.64%
GLXY	-22.13%

Sources: TradingView, Teroxx Research

Performance of "Crypto" Equities (February 2026)



Source: TradingView, Teroxx Research

The Circle Catalyst

The impressive rally in Circle was primarily driven by increasing market confidence surrounding stablecoin regulatory clarity and the firm's strategic positioning within the evolving financial ecosystem. As institutional adoption of dollar-pegged digital assets gains momentum, Circle has emerged as the primary beneficiary of a flight to quality. Investors are increasingly viewing Circle as a foundational utility provider for the next phase of digital finance, a sentiment that has allowed the stock to decouple from the momentum impacting its peers.

What This Means

The market has abandoned the notion of trading crypto equities as a single, unified asset class. Returns are now mostly driven by internal corporate developments, balance sheet stability, and the ability of a firm to navigate the shifting regulatory landscape. This shift confirms a mature phase where stock specific fundamentals and competitive positioning have become the primary drivers of performance, leaving behind firms that lack clear, near-term operational catalysts.

March Outlook & Portfolio Strategy

Market Calibration: Navigating the Five-Month Consolidation

February 2026 concluded with a -14.94% adjustment, extending a period of market cooling that initiated in late 2025. This closing marks the fifth consecutive month of negative price action; notably, the last historical instance of a six-month sequence of sustained decline occurred during the 2018–2019 cycle. While this prolonged retracement has moderated recent gains, it serves as a critical phase of market maturation, effectively mitigating the speculative premiums observed in preceding quarters. Consequently, this transition facilitates a shift toward a more robust market structure, anchored in realized valuations rather than short-term momentum.

Bitcoin Monthly Returns %

Time	January	February	March	April	May	June	July	August	September	October	November	December
2026	-10.17%	-14.94%	+3.66%									
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%	+11.60%	+13.06%	+8.18%	-0.14%	+7.60%	+1.12%	-3.08%	+19.92%	+41.12%	+4.16%
Median	+0.29%	+11.68%	+0.68%	+7.27%	+9.51%	+2.20%	+8.20%	-7.49%	-3.12%	+14.71%	+8.81%	-2.97%

Source: Coinglass, Terroxx Research

Geopolitical Headwinds and ETF Flow Dynamics

The price action throughout February was influenced by a complex geopolitical backdrop, which introduced a layer of caution across global risk assets. While this environment led to consecutive net outflows in Spot ETFs, reflecting a tactical shift in institutional positioning, Bitcoin demonstrated resilience by absorbing these external shocks without significant declines. This ability to maintain stability during periods of uncertainty, followed by signs of recovery, highlights the asset's underlying robustness. Even as the market navigated macroeconomic shifts and interest rate expectations, the consistent demand and price recovery suggest a strengthening foundation despite the lack of initial buy-side pressure through regulated channels.

Outlook: Positioning for the Next Phase of the Cycle

Despite the duration of this cooling phase, the current market structure is approaching what is traditionally viewed as a Long-Term Entry Window. With Bitcoin's valuation moderating significantly from its Q4 2025 peaks, the focus is now on the stabilization of institutional flows and a potential shift in the global liquidity cycle. As the market concludes this period of adjustment, the emphasis shifts toward the next phase of position-building, where institutional allocators typically monitor for signs of selling exhaustion to begin restoring long-term exposure.

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