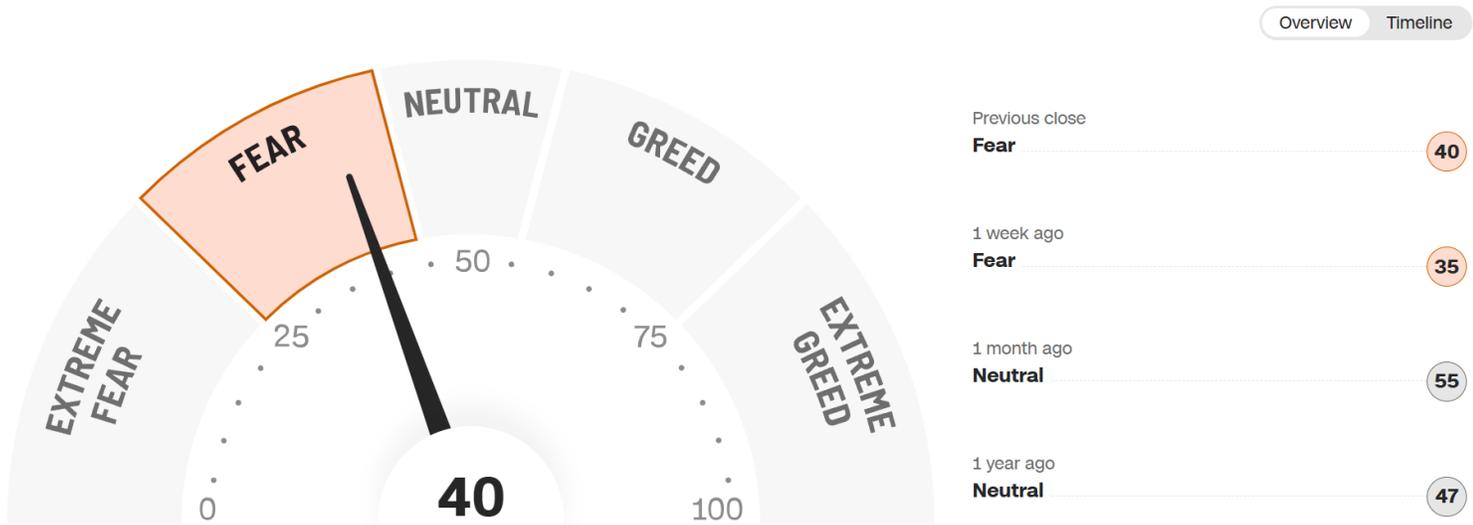


*Risk disclosure: Price can go up and down at any moment, use free money to trade and bear the risk according to your own capital;
 Never trade with money that has a deadline for withdrawal.
 All suggestions are for reference only, even AI cannot be 100% reliable, final decision still lies upon investors.
 Copy trading cannot replicate another trader's background or psychological state.*

Fear & Greed Index

What emotion is driving the market now?

[Learn more about the index](#)



Last updated Feb 19 at 3:51:01 AM ET

North East West South is NEWS

Artificial intelligence (AI) security alerts have been comprehensively upgraded. A recent 53-page report, "Sabotage Risk Report: Claude Opus 4.6," released by the US AI startup Anthropic, points out that if Claude were to escape, it would cause global chaos. "Sabotage" refers to a highly privileged AI system that, without authorization, abuses its power within an organization to manipulate, interfere with, or even destroy critical systems or decision-making processes, thereby significantly increasing the risk of future major disasters.

During its annual AI Impact Summit in New Delhi, India, Google announced it will lay a new submarine cable connecting its planned AI center in Vichag, a port city in southern India, to other locations around the world. Last October, Google pledged to invest \$15 billion over the next five years to build its largest AI infrastructure center outside the United States there. India has the world's largest population, with the latest figure at 1,478,398,507, accounting for 17.8% of the world's population.

At its fourth annual AI Impact Summit in New Delhi, India, Nvidia, the U.S. artificial intelligence (AI) chip giant, announced a collaboration plan with several Indian computing companies.

According to *The Information*, Meta has restarted its smartwatch project, codenamed "Malibu 2," which is expected to be officially launched later this year. The new device will focus on health tracking and integrate the built-in Meta AI assistant.

Ukrainian President Volodymyr Zelenskyy stated that Ukraine and Russia, in talks held in Geneva under US mediation, failed to reach a consensus on the key issues of how to end the four-year Russo-Ukrainian war.



Market Observation

Day 1458
Russia/Ukraine Conflict

Dollar, Crypto & Stock

Donald Trump has been using weak dollar policy since his inauguration, it dropped till the Liberation Day of April 2025, and started to keep ranging at low. Bitcoin started to soar up at the same time and reached peak in October at \$125,251. As people expect that it will go to \$200K or \$300K, it turned back and fell to \$66,531 of today. While stock market kept on going upward but met resistance after breaking record high. DJIA @ 50,000, S&P @ 7000 and NASDAQ @ 50,000 points. These are barriers, even though touched but not easy to stand fast above them.

People may ask, what is the relation between Crypto and Dollar, Crypto and Stock, Dollar and Stock? There is no definite single answer, please refer to the analysis of AGI (Super AI) as attached, it depends on individual cases and times.

One thing we can sure is that, recently Japanese, UK and Spanish stock market are on record high, that means *a little* of capital is flow across the ocean to the other sides. This is the reason why the US stock market is near record high but hard to go up again. However, the major market is still in Wall Street, nowhere else under the Sun can replace it. Last year, *a little* capital was flow to Germany and Japan, and this year also to Japan and Europe. Mind that Wall Street is an enormous market, should “a little” flow across the ocean, the amount is enormous to those places.

Traditionally, February is a month of falling in US. So, any adjustment should be considered as a golden pit. Market will never go in a straight path; any fluctuation is nothing but *Dusk in the Wind*.



GPT-5 is here - OpenAI

Recognised AGI (super AI) level

Impact of a Weak Dollar on Markets

A weak U.S. dollar has ripple effects across both **stock markets** and **crypto markets**, but the direction isn't always consistent:

• **Stock Market**

- A weaker dollar often boosts U.S. exports because American goods become cheaper abroad. This can lift corporate earnings for multinational firms, supporting stock prices.
- However, it can also signal concerns about U.S. fiscal health or inflation, which may weigh on investor confidence.
- Foreign investors may hesitate to buy U.S. assets if the dollar is falling, creating downward pressure.

• **Crypto Market**

- Cryptocurrencies like Bitcoin are sometimes seen as a hedge against dollar weakness. When confidence in fiat currencies drops, demand for crypto can rise.
- But crypto is also highly sensitive to liquidity conditions. If a weak dollar coincides with tighter monetary policy or risk aversion, crypto can fall even as stocks rise.
- That's why sometimes both move in the same direction (risk-on rally) and sometimes diverge (flight to safety into stocks or bonds, away from crypto). Morningstar +1

Trump's Interest Rate & Dollar Policy

- **Lower Interest Rates:** Donald Trump has consistently favored lower interest rates. Lower rates generally weaken the dollar because they reduce returns on dollar-denominated assets.
- **Weak Dollar Policy?** Not explicitly — but pushing for lower rates often aligns with a weaker dollar stance, since it stimulates domestic growth and exports.
- **Tariff War (2018–2019):** Initially, tariffs hurt markets due to uncertainty and higher costs. Over time, markets rebounded as companies adapted and stimulus measures offset the drag.
 - Beneficial to society? Mixed. Tariffs protected some industries but raised consumer prices and strained global supply chains. Economists generally see them as a short-term political tool rather than a broad societal benefit.



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Crypto's Recent Decline

Major Factors Behind the Drop

- **Liquidity tightening:** Higher interest rates reduce speculative investment in crypto.
- **Regulatory pressure:** Governments worldwide are cracking down on crypto exchanges and stablecoins.
- **Market cycles:** Crypto historically moves in boom-bust cycles tied to Bitcoin halving events and investor sentiment.
- **Risk-off environment:** Investors shifted to safer assets amid global uncertainty.

When Will It Rebound?

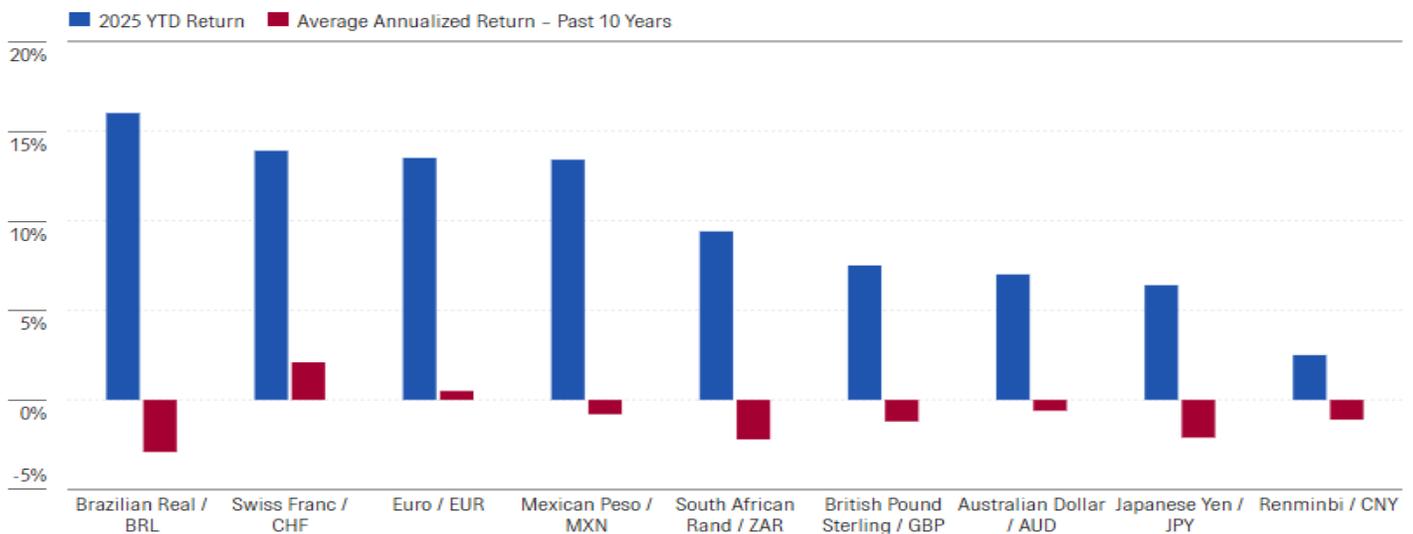
- Historically, crypto rebounds around **Bitcoin halving cycles** (next expected in 2028).
- A rebound to previous peaks depends on renewed liquidity, institutional adoption, and regulatory clarity.
- Short-term rallies may occur, but sustained recovery likely requires a more favorable macro environment.

Bottom Line

- Weak dollar → generally positive for U.S. stocks, mixed for crypto depending on liquidity.
- Trump's push for lower rates aligns with weaker dollar tendencies.
- Tariffs gave short-term protection but long-term costs.
- Crypto's halving cycles and regulatory clarity will be key to its rebound.

Would you like me to create a **comparison table of stock vs. crypto behavior under weak dollar conditions**? That could make the differences and overlaps clearer at a glance.

Performance of Major Currencies Against the US Dollar



Source: Federal Reserve Economic Data. YTD--Year to date. Data as of Sept. 30, 2025. [Download CSV](#).

Impact of a Weak Dollar on the Stock Market and Crypto Market

A weak U.S. dollar generally has a mixed but often net positive effect on the stock market, primarily by boosting U.S. exporters' competitiveness abroad, which can increase their revenues and profits when converted back to dollars. This benefits sectors like manufacturing, agriculture, and multinationals with significant overseas sales, potentially driving stock prices higher. However, it can hurt importers by raising costs for foreign goods, which may lead to higher inflation and reduced consumer spending. Overall, historical data shows non-U.S. stocks tend to outperform U.S. stocks during dollar weakness, though the relationship is not strongly predictive (e.g., R-squared around 0.127). A prolonged weak dollar could also signal economic instability, eroding investor confidence and increasing market volatility. [investopedia.com](#) [+3 more](#)

For the crypto market, a weak dollar has historically been bullish for cryptocurrencies like Bitcoin, as they are often viewed as a hedge against fiat currency depreciation and inflation. This inverse correlation (e.g., -0.16 between Bitcoin and the U.S. Dollar Index) means crypto prices may rise when the dollar falls, attracting investors seeking alternatives to traditional assets. However, recent trends show a weakening of this relationship, with correlations approaching zero or even positive in 2025-2026, treating crypto more like risk assets sensitive to liquidity and economic conditions. In early 2026, dollar weakness failed to spur Bitcoin gains due to unchanged monetary policy expectations and deleveraging in risk markets. [onesafe.io](#) [+3 more](#)

Market	Positive Impacts of Weak Dollar	Negative Impacts of Weak Dollar
Stocks	Boosts exporters' earnings; enhances value of overseas revenues; non-U.S. stocks may outperform. usbank.com	Higher import costs and inflation; potential debt instability with high U.S. debt levels. youtube.com
Crypto	Attracts investors as inflation hedge; historically inverse to dollar strength. altrady.com	If correlated with stocks, may fall amid broader risk-off sentiment; liquidity-sensitive. forbes.com

Why Stocks and Crypto Sometimes Move in the Same Direction and Sometimes in Reverse

The correlation between stock and crypto markets fluctuates due to evolving investor behavior, macroeconomic factors, and market maturity. Historically, crypto was largely uncorrelated with stocks, but since 2020, correlations have risen (e.g., Bitcoin's 60-day rolling correlation with the S&P 500 reached 0.48 in early 2025), driven by institutional adoption and crypto's treatment as a high-risk tech-like asset. When they move together (same direction), it's often during risk-on/risk-off periods: bull markets lift both via liquidity and sentiment, while downturns (e.g., inflation fears or rate hikes) drag both down. Reverse movements occur when crypto acts as a diversification tool or hedge (e.g., during dollar weakness or geopolitical stress), or when idiosyncratic factors like regulatory news affect crypto independently. Empirical studies show bidirectional causality, with stocks spilling over more to crypto than vice versa but correlations weaken in low-volatility periods. [cmegroup.com](#) [+3 more](#)

Recognised AGI (super AI) level

Trump's Preference for Lower Interest Rates: Is It a Weak Dollar Policy?

Yes, Donald Trump's advocacy for lower interest rates aligns with a weak dollar policy. Lower rates reduce the appeal of U.S. assets to foreign investors, decreasing demand for dollars and pressuring its value downward. Trump has explicitly welcomed a weaker dollar for making U.S. exports more competitive, echoing his long-held views (e.g., criticizing a strong dollar in the 1980s). His pressure on the Federal Reserve, including nominating Kevin Warsh (seen as favoring cuts), aims to achieve this, though it risks inflation and market instability. While Treasury officials maintain a "strong dollar" stance, Trump's actions suggest otherwise. [bbc.com](#) [+3 more](#)

Impact of Trump's Tariff War: Initial Stock Drop, Later Rise, and Benefits to U.S. Society

Trump's tariffs (implemented in early 2025) initially caused stock market volatility and declines due to uncertainty, higher costs for importers, and retaliatory measures from countries like China, reducing U.S. export competitiveness. Stocks dropped sharply in the first days post-announcement (e.g., VIX near 5-year highs), but recovered as markets adjusted, with some sectors (e.g., domestic manufacturers) benefiting from reduced foreign competition. Over the year, tariffs raised average import taxes to ~13-17%, shrinking the trade deficit but raising consumer prices. Long-term GDP fell by ~6%, with wages down 5% and middle-income households losing ~\$22,000 lifetime, per models—worse than equivalent corporate tax hikes. [poole.ncsu.edu](#) [+3 more](#)

Whether tariffs are beneficial to U.S. society is debated: They may protect jobs and encourage domestic production, but they act as a tax on consumers and businesses (~\$200 billion annual revenue, mostly borne by U.S. entities). Short-term pain (e.g., sentiment dips, recession risks) outweighs gains for many, though the economy hasn't tanked due to resilience and limited scale relative to GDP (~\$30 trillion). Overall, not a clear net benefit; they slow growth more than alternatives. [fool.com](#) [brookings.edu](#)

Recent Crypto Fall (Nearly Half from Peak): Major Factors and Rebound Timeline

Crypto's ~50% drop from its 2026 peak (~\$97,000 for Bitcoin in January) to mid-\$60,000s by mid-February stems from multiple factors:

- **Deleveraging and Liquidations:** Rapid unwind of leveraged positions (futures open interest down 20%), with \$800M+ liquidated in 24 hours, creating a vicious cycle. [vaneck.com](#) [fibo-crypto.fr](#)
- **Macro and Fed Policy:** Hawkish Fed signals (potential rate hikes, strong dollar via DXY >97.5) reduced liquidity, hurting risk assets; correlations with falling tech stocks amplified the selloff. [m.economictimes.com](#) [cnbc.com](#)
- **Geopolitical and Sentiment:** Tensions (e.g., Greenland, U.S. shutdown) and gold/silver volatility spilled over, eroding confidence; Bitcoin failed as a "digital gold" hedge. [aljazeera.com](#) [cnn.com](#)
- **ETF and Whale Outflows:** U.S. spot Bitcoin/ETH ETFs saw \$434M+ outflows; miners (e.g., Marathon Digital) and whales sold holdings amid financing pressures. [finance.yahoo.com](#) [cmegroup.com](#)
- **Broader Risk Aversion:** Record \$3.2B realized losses signaled panic selling; crypto sentiment hit multi-year lows. [finance.yahoo.com](#)

Rebound to peak: Predictions vary, but many analysts expect a recovery in 2026 driven by institutional adoption, clearer regulations, and potential Fed pivots. Bitcoin could hit \$100,000+ by year-end (e.g., up to \$225,000 per some forecasts), with a base likely forming at \$54,000-\$60,000 before upside. However, prediction markets give <50% odds of surpassing \$100,000 before end-2026, reflecting caution amid volatility. Tokens like Solana and Chainlink may rebound strongly via real-world applications (e.g., stablecoins, DeFi). Stabilization depends on improved global conditions; historical patterns suggest a potential bottom in October/November. [finance.yahoo.com](#) [+4 more](#)