

Monthly Digital Asset Market Update: February 2026

Overview

Starting late January and throughout February 2026, the cryptocurrency markets experienced sharp declines along with spot bitcoin ETF outflows against a backdrop of geopolitical tensions, U.S. tariff uncertainty, and AI-driven fears impacting multiple sectors, beginning with software and spreading to others susceptible to automation and disintermediation.

Market

The total digital asset market capitalization reached a high in October 2025 at ~\$4.2 trillion, only to sharply fall during February, reaching a low of ~\$2.17 trillion and ending the month at ~\$2.3 trillion¹. Bitcoin (BTC), which in February made up approximately ~58% of the total digital asset market capitalization², fell sharply in early February and finished the month at a ~\$1.3 trillion market cap¹.

The assets under management (AUM) of ETFs holding BTC ranged from 6.5% to 7.2% of the BTC market capitalization throughout January and February³. ETFs holding BTC or ETH reached a high of ~\$143.66 billion in AUM since the start of 2026, where BTC represented ~87% and ETH ~13%³. At the end of February these ETFs reached a low of \$101.67 billion. U.S. Spot Bitcoin ETFs experienced outflows over the first two months of 2026, with a total ~\$1.6 billion leaving the ecosystem in January and \$206.5 million leaving in February⁴. Meanwhile, the world's largest corporate holder of BTC, Strategy (MSTR)⁵, made their 100th purchase in February, increasing their holdings to 717,722 total BTC⁶.

[Coindesk released a report](#) in February analyzing the Digital Asset ETP landscape, a history which started in 2013 with the first U.S. filing attempt. It wasn't until January 2024 that the SEC approved eleven spot BTC ETPs for the first time. In October 2025 digital asset ETPs surpassed \$250 billion in assets under management before falling to \$184 billion at the end of 2025⁷. The United States accounts for approximately 80% of that global AUM⁷. U.S. crypto market sentiment may be characterized as anxious or fearful, as U.S.-based searches for "bitcoin zero" reached an all-time high on Google's search trend scale in February, though the same trend wasn't reflected in worldwide data⁸. Another sentiment indicator is in the "Fear and Greed Index" produced by CoinMarketCap, which reported "Extreme Fear" in February with a score of 11 out

¹ [CoinMarketCap](#) Charts

² [CoinMarketCap](#) Bitcoin Dominance Chart as of 2/23/26, as defined by CoinMarketCap

³ [CoinMarketCap](#) ETF Charts

⁴ [SoSoValue](#) Total Bitcoin Spot ETF Net Inflow Chart

⁵ [Yahoo Finance](#)

⁶ [Coindesk](#)

⁷ [Digital Assets ETP Landscape: Past Present and Future](#) 2026 Report by Coindesk

⁸ [Coindesk](#)

of 100, where a score of 0 represents maximum fear and 100 represents maximum greed⁹. The Block has their own “Fear and Greed Index” which ranged as low as 5 in February and as high as 61 mid-January¹⁰.

Notable Events

- [A 2026 Stablecoin report released by BVNK in partnership with YouGov, Coinbase and Artemis](#), reports that the stablecoin market has grown to over \$300 billion and that among respondents, stablecoin holdings average \$200 globally, with high-income economies holding around \$1,000 on average per person in stablecoins¹¹.
- BitGo went public on January 22 as the ‘first publicly traded, federally chartered digital asset infrastructure company’ and represented the first digital asset IPO of note in 2026¹².
- The New York Stock Exchange announced plans to build a trading venue for tokenized securities and ETFs¹³.

Regulation & Policy

In February, Crypto.com gained conditional approval from the U.S. Office of the Comptroller of the Currency (OCC) to establish a U.S. federally regulated crypto bank. Other firms have received the same conditional approval, such as Circle, Paxos, BitGo, Ripple, and Fidelity Digital Assets¹⁴. Bridge, the stablecoin firm owned by Stripe, also received conditional approval from the OCC in February to form a national trust bank, which would allow the issuance of stablecoins under federal oversight¹⁵. Morgan Stanley filed an application in February for a national trust bank charter to custody crypto assets¹⁶.

The Digital Asset Market Clarity Act (the CLARITY Act), which aims to establish a U.S. regulatory framework around digital assets and clarify the jurisdictions of federal oversight, has stalled as banks and crypto industry leaders continue debating several items, primarily the issue of stablecoin rewards. Stablecoins are digital assets that aim to maintain a consistent peg to the value of another asset or to fiat currency, for example \$1 USD. The CLARITY Act remains in the Senate while debate continues over how and whether it should be possible to reward stablecoin holders with yield from stablecoin holdings. The CLARITY Act follows on the heels of the GENIUS Act which established rules for stablecoins and was passed into law in July 2025.

Nasdaq CME Crypto™ Index (NCI™)

Nasdaq’s flagship crypto index, the NCI, measures the performance of a basket of the most actively traded digital assets and provides a benchmark for institutional investment in the asset class. The NCI represents a real-time index that is calculated every second throughout a 24-hour trading day. The Nasdaq CME Crypto Settlement Price™ Index (NCIS™) measures the same constituents but is calculated once a day with a settlement time at 4:00:00 PM New York Time. Over the first two months of 2026, the NCIS returned -27.38%.

⁹ [CoinMarketCap](#) Fear and Greed Index as of 2/24/26

¹⁰ [The Block](#) Fear and Green Index

¹¹ [Stablecoin Utility Report 2026](#) by BVNK, YouGov, Coinbase, Artemis

¹² [Yahoo Finance](#). Note that BitGo is a Core Custodian for the Nasdaq Crypto Indexes. More information on the Nasdaq Crypto Indexes can be found [here](#).

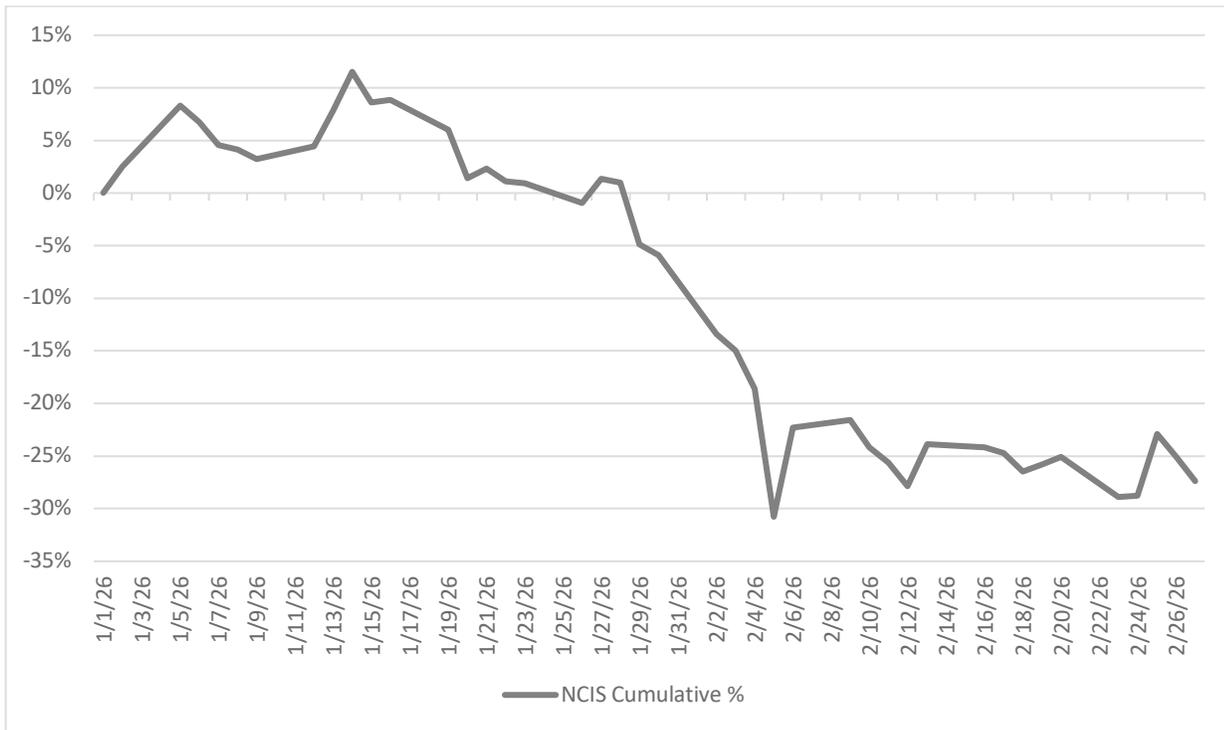
¹³ [Bloomberg](#)

¹⁴ [Coindesk](#). Note that some of these entities may be Core Custodians or Core Exchanges for the Nasdaq Crypto Indexes. Some of these entities may have associated digital assets that may be current or former constituents of the Nasdaq Crypto Indexes.

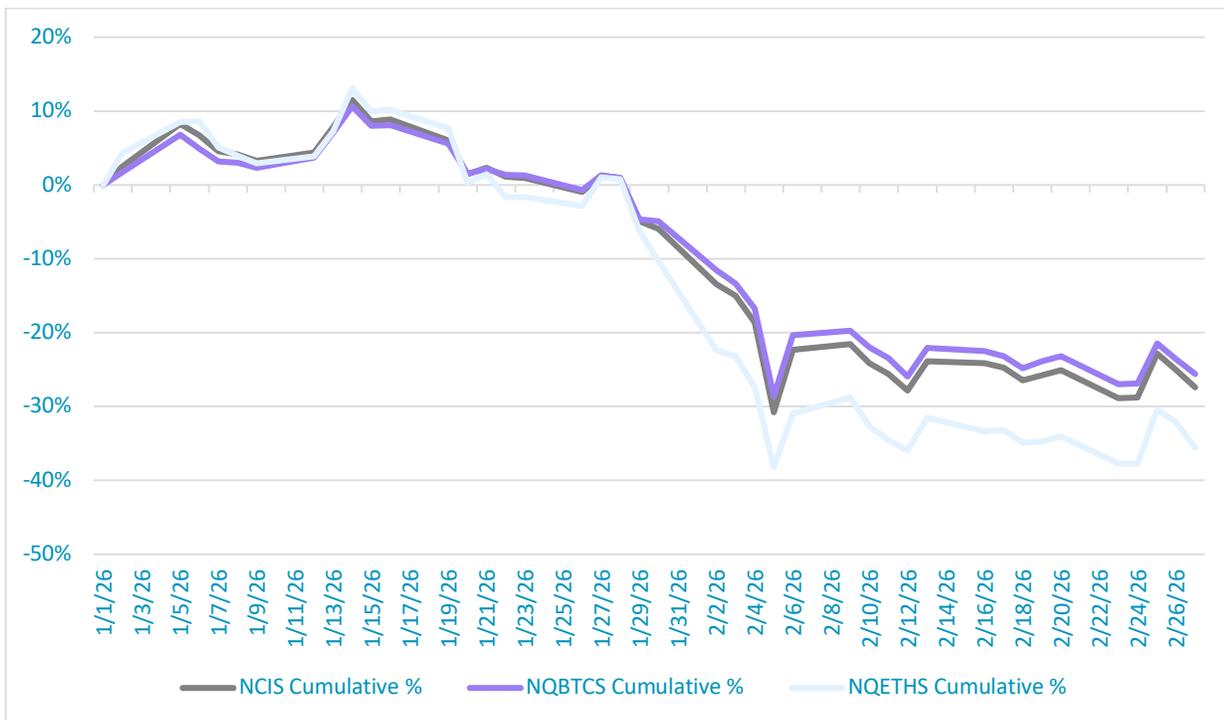
¹⁵ [Yahoo Finance](#)

¹⁶ [Forbes](#)

Nasdaq CME Crypto Settlement Price™ Index (NCIS™) January & February 2026 Cumulative Performance: 1/1/26 – 2/27/26



NCIS, NQBTCs, NQETHS January & February 2026 Cumulative Performance: 1/1/26 – 2/27/26



Disclaimer:

Nasdaq®, Nasdaq Crypto™, Nasdaq CME Crypto™, NCI™, and NCIS™ are registered and unregistered trademarks of Nasdaq, Inc. The information contained above is provided for informational and educational purposes only, and nothing contained herein should be construed as investment advice, either on behalf of a particular digital asset or an overall investment strategy. Neither Nasdaq, Inc. nor any of its affiliates makes any recommendation to buy or sell any digital asset or any representation about the financial condition of a digital asset. Statements regarding Nasdaq proprietary indexes are not guarantees of future performance. Actual results may differ materially from those expressed or implied. Past performance is not indicative of future results. Investors should undertake their own due diligence and carefully evaluate assets before investing. **ADVICE FROM A FINANCIAL PROFESSIONAL IS STRONGLY ADVISED.**

© 2026. Nasdaq, Inc. All Rights Reserved