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## Crypto Markets Get Trapped in a Downward Spiral

By [Charles Riley](#)

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### Spiky markets

It's been a rocky start to 2026. There have been at least five clear stock selloffs over the past month, and each time, markets have bounced back.

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"Throughout history, larger equity sell-offs have always coincided with a fundamental reassessment of the macro outlook," they wrote in a research note.

Today, the global outlook is strong. The US economy expanded in the third quarter at an annualized rate of 4.4%, the fastest in two years, and manufacturing data has been solid. The euro area economy closed 2025 with surprisingly strong growth, and Germany, the regional powerhouse, is spending big on infrastructure and defense.

"So long as that macro backdrop is robust, then risk assets can continue to rally," wrote Deutsche Bank strategists. "It's important to remember that positive data are consistently proving a better signal than noisy headlines." —*Charles Riley*

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