DAILY DEBRIEF 6 (02/19/2026)

Aditya Dhanraj

US equities slip, snapping the S&P's three-day streak as big tech, software and consumer cyclicals lag while energy and machinery outperform on firmer crude and AI-power demand; small caps hold up better. Treasuries are steady with a modest long-end bid, dollar slightly higher. Gold eases, bitcoin gains, and WTI extends its rally on Iran strike risk. Data remain mixed but resilient—claims and regional manufacturing beat, housing soft—while FOMC minutes reinforce a cautious Fed with June still in focus as rotation and dispersion persist.

Stocks

USA	Europe	APAC
S&P 500 -0.28%	DAX -0.93%	Hang Seng +0.52%
NASDAQ -0.31%	Euro Stoxx 50 -0.72%	Nikkei 225 +0.57%
Dow Jones -0.54%	FTSE 100 -0.55%	CSI 300 -1.45%

As of 4:45 PM ET

Commodities

Energy	Metals	Agriculture
WTI Crude +1.93%	Spot Gold +0.42%	Corn -0.06%
Brent Crude +2.09%	Spot Silver +1.35%	Coffee +0.09%
HH Nat Gas -1.46%		Cotton +0.60%

As of 4:45 PM ET

Market Overview

U.S. equities finished mostly lower in a session defined by earnings dispersion and geopolitical crosscurrents. The S&P snapped a three-day win streak but closed off worst levels. Leadership skewed toward energy and select industrials as crude extended gains on escalating U.S.-Iran tensions, while big tech, software and semis lagged. Treasuries were little changed with a modest long-end bid, the dollar firmed ~0.2%, gold dipped, and bitcoin rose. The broader tone reflected rotation beneath steady index levels rather than a decisive shift in macro narrative.

Equities

Mega-cap tech weakened, with Apple a notable drag, alongside pressure in software and semiconductors. Financials were mixed-to-lower, particularly large-cap banks, private equity and insurers, while consumer-facing groups—homebuilders, housing retail, department stores, casual dining and airlines—struggled amid cautious guidance and soft housing data. Energy, machinery (notably Deere), engineering & construction, aerospace & defense, and select managed care names outperformed. Private credit remained under scrutiny following liquidity headlines at Blue Owl. Single-stock moves were pronounced: strength in industrial, energy and select platform names contrasted with sharp declines across payments, travel, autos and specialty retail following mixed earnings and forward guidance.

Macro & Rates

Data skewed firmer overall. Initial jobless claims surprised to the downside and the Philly Fed index beat, reinforcing a resilient growth backdrop, though housing remained soft with pending sales declining again. The December trade deficit widened sharply. FOMC minutes reiterated a cautious, data-dependent stance, warning inflation progress could be uneven amid tariff-driven goods pressures; markets continue to price the first cut around midyear. Fed commentary reflected some recalibration on the pace of easing but no material shift in baseline expectations.
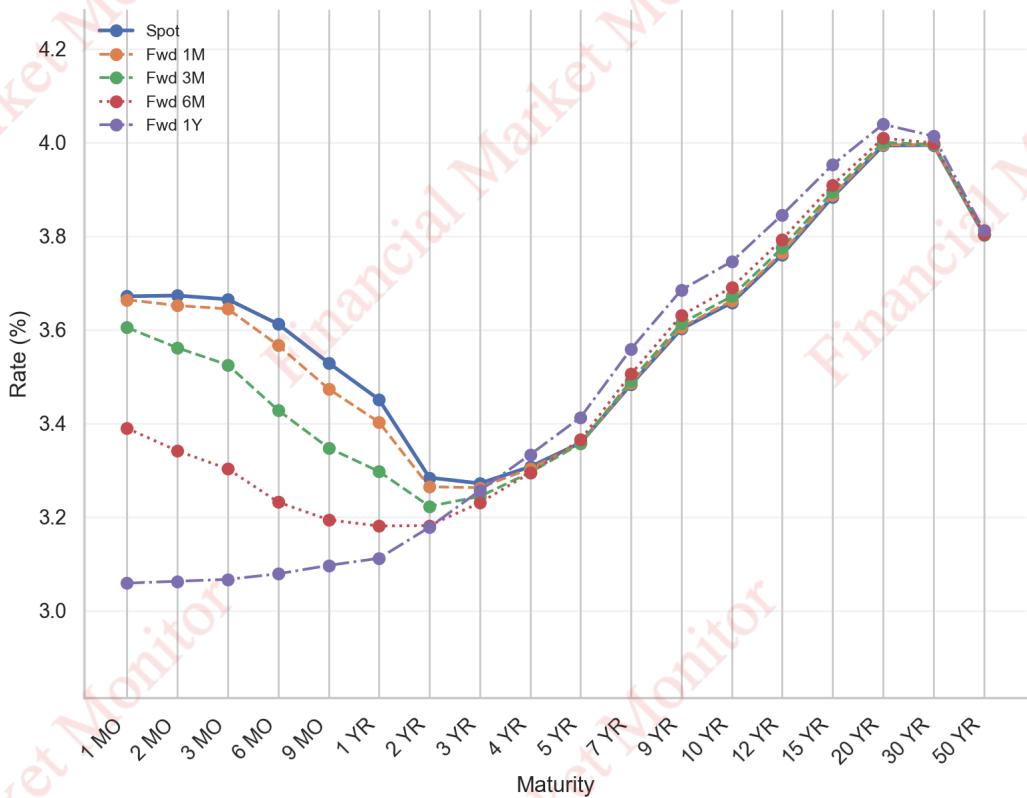
FX & Commodities

The dollar edged higher as curves flattened modestly. Crude oil extended its rally, building on prior gains as U.S. military buildup in the Middle East and Iran rhetoric elevated geopolitical risk premiums. Gold eased slightly, silver was marginally firmer, and bitcoin futures advanced. Broader commodity signals were mixed, with energy strength contrasting against softer precious metals.

Geopolitics

Middle East tensions intensified as reports indicated the U.S. may be weighing limited military action against Iran, though diplomatic channels remain open with a potential decision window cited over the next 10 days. Markets have largely absorbed the headlines outside of oil. Meanwhile, survey data show elevated equity bullishness and crowded AI positioning even as strategist commentary highlights dispersion, high hedging activity and downside CTA convexity. The prevailing narrative remains one of rotation beneath index stability, resilient but uneven macro data, and markets balancing AI capex optimism against geopolitical and late-cycle risks.

Forward Rate Curve

Rate Expectations — Implied Path & Net Policy Bias