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WEEKLY BULLETIN

RUSSIA'S QUIET PIVOT TOWARD THE DOLLAR



ECONOMIC CALENDAR • TECHNICAL ANALYSIS

U.S. CREDIT CARD DEBT HITS NEW HIGH

DOES SLOWING HIRING POINT TO RECESSION? • AND MORE...

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TIME	CUR.	EVENT	FORECAST	PREVIOUS
MONDAY, FEBRUARY 16				
ALL DAY		Family Day Holiday	-	-
ALL DAY		Chinese New Year Holiday	-	-
ALL DAY		Washington's Birthday	-	-
03:50		GDP (QoQ) (Q4)	0.4%	-0.7%
TUESDAY, FEBRUARY 17				
ALL DAY		Chinese New Year Holiday	-	-
11:00		German CPI (MoM) (Jan)	0.1%	0.0%
WEDNESDAY, FEBRUARY 18				
ALL DAY		Chinese New Year Holiday	-	-
11:00		CPI (YoY) (Jan)	3.0%	3.4%
17:30		Durable Goods Orders (MoM) (Dec)	-1.8%	5.3%
23:00		FOMC Meeting Minutes	-	-
THURSDAY, FEBRUARY 19				
ALL DAY		Chinese New Year Holiday	-	-
17:30		Philadelphia Fed Manufacturing Index (Feb)	7.8	12.6
17:30		Initial Jobless Claims	229K	227K
21:00		Crude Oil Inventories	-	8.530M
FRIDAY, FEBRUARY 20				
ALL DAY		Chinese New Year Holiday	-	-
17:30		Core PCE Price Index (MoM) (Dec)	0.3%	0.2%
17:30		GDP (QoQ) (Q4)	2.8%	4.4%
17:30		Core PCE Price Index (YoY) (Dec)	3.0%	2.8%
18:45		S&P Global Manufacturing PMI (Feb)	52.1	52.4
18:45		S&P Global Services PMI (Feb)	52.8	52.7
19:00		New Home Sales (Dec)	735K	737K

RUSSIA'S QUIET PIVOT TOWARD THE DOLLAR



Fresh reports indicate that Russia may be considering a partial return to closer engagement with the US dollar system, often described as the “dollar club,” a network of economies that conduct trade, hold reserves, and settle transactions predominantly in dollars.

Such a step would stand in contrast to Moscow’s post-2022 push to reduce dollar exposure, expand local-currency trade, and deepen financial ties with partners outside Western systems. A renewed openness to dollar transactions would signal not a reversal of rhetoric, but a pragmatic shift in strategy.

ENERGY MARKET AS THE BIG PLAYER

Energy pricing sits at the center of this debate. If Russia were to reintroduce broader dollar-based settlements for oil and gas, it would reinforce the greenback’s role in global commodity trade. For countries that have diversified toward alternative currencies in recent years, that would carry implications for reserve management, trade invoicing, and cross-border liquidity.

Because Russia remains a major energy exporter, any adjustment in its currency framework reverberates across FX markets, sovereign bonds, and commodity flows.

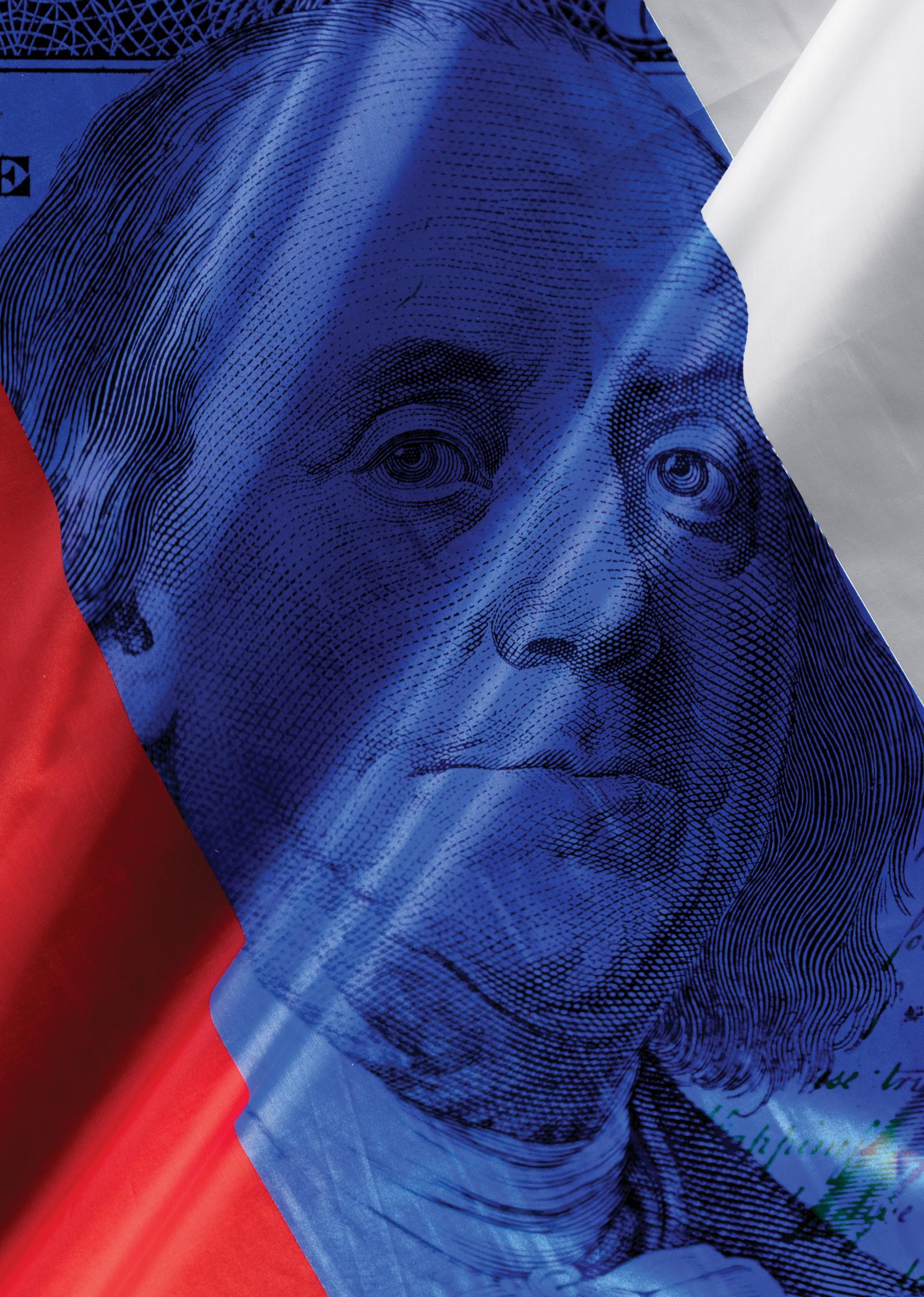
DE-DOLLARIZATION AGAINST MARKET REALITY

The past several years have seen increasing fragmentation in payment systems and reserve allocations, driven by sanctions, geopolitical rivalry, and efforts to build parallel financial infrastructure. Yet the dollar’s dominance in global liquidity and trade finance has remained resilient.

A measured re-engagement with dollar channels would not necessarily reflect political alignment. Rather, it would underline economic calculus in a system where the dollar still anchors global funding conditions.

BACK TO THE DOLLAR TABLE?

Currency strategy is no longer passive. It has become an active lever in geopolitical positioning, and markets are quick to price that reality. Even the perception of a shift can influence capital allocation and currency expectations. Reserve behavior by large commodity exporters shapes emerging-market funding costs, impacts commodity pricing structures, and affects the balance between diversification trends and dollar strength.



XAUUSD

GOLD RECLAIMS \$5,000 MILESTONE

Gold surged back above \$5,000 on Friday, erasing most of the previous session’s \$160 drop. This recovery was fueled by softer U.S. inflation data, which lowered bond yields and boosted hopes for an earlier Federal Reserve rate cut. Lower yields increase the appeal of non-yielding assets like bullion. However, near-term gains may be limited as China, which is a primary market driver, remains on holiday until February 23. This seasonal pause in Chinese demand often results in thinner trading volume and could cap significant upward moves until full participation returns.

Key Technical Levels

Resistance: \$5,140 | A breakout here could trigger a new bullish leg.

Psychological Level: \$5,000 | A vital short-term level for market sentiment.

Support: \$4,860 | A critical floor to prevent deeper corrections.

Below \$4,860: The risk of a more significant price retreat intensifies.



XAUAG

GOLD/SILVER RATIO HITS 65

The Gold/Silver ratio has climbed back to 65, marking a significant recovery from its long-term base in the 43–45 zone. This reversal suggests gold is regaining relative strength as investors favor safe-haven assets amid rising market caution. Silver, which outperformed earlier in 2026, is now seeing its lead diminish. As long as the ratio remains above 55, the structural advantage remains with gold. A sustained breakout above 65 would likely confirm a broader upward phase for the ratio.

Key Technical Levels

Resistance: 65 | Immediate barrier; a break here could extend the trend.

Next Target: 70 | The medium-term upside objective.

Support: 55 | Initial floor to watch on any pullbacks.

Major Base: 43–45 | Critical long-term support and reversal zone.



BRENT OIL

BRENT FACES \$70 RESISTANCE

Brent crude is trading near \$68 as markets focus on Tuesday’s U.S.-Iran talks. Geopolitical headlines remain the primary price driver, as any escalation could disrupt global supply. However, upside momentum stays capped below \$70 due to comfortable inventory levels and signs that some OPEC+ members may increase production starting in April. Investors are also looking toward the March 1 OPEC+ meeting for clarity on future output policy, which could heighten downward pressure if a supply increase is confirmed.



Key Technical Levels

Resistance: \$70 | A major psychological and technical barrier.

Short-term Pivot: \$68 | The current market balance zone.

Support: \$65 | Initial downside target; a break lower risks a deeper correction.

Below \$65: Could trigger a deeper correction toward lower demand zones

BTCUSD

BITCOIN PRESSURED BELOW \$76K

Crypto markets remain on the defensive. Bitcoin trades near \$68,000, while Ethereum holds around \$1,960, with Solana and XRP also edging lower. The structure suggests consolidation rather than panic, yet upside momentum is limited.



Technically, \$76,000 remains the decisive level. As long as Bitcoin stays below it, downside pressure is likely to persist. The first key support stands at \$60,000. A failure there would shift focus toward \$50,000 as the next medium-term target.

Key Technical Levels

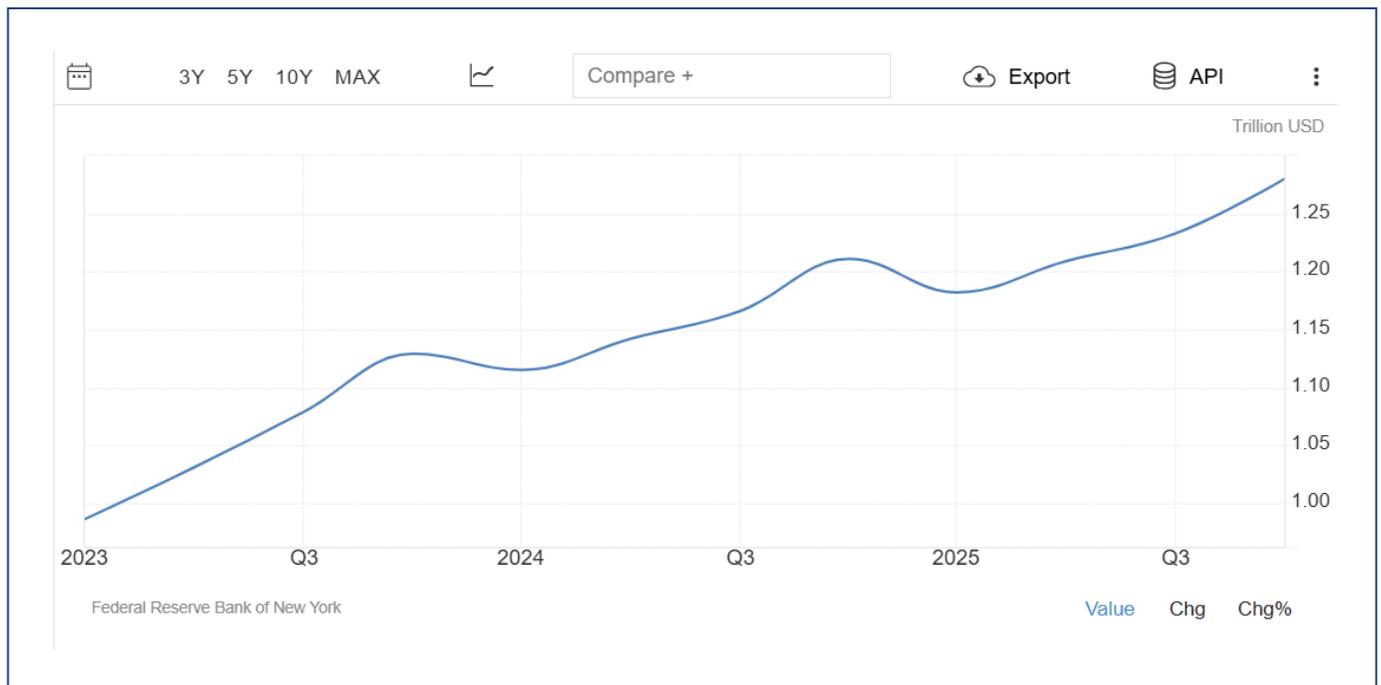
Resistance: \$76,000 | Trend recovery threshold

Current zone: \$68,000 | Ongoing pressure

Support 1: \$60,000 | Major retest level

Support 2: \$50,000 | Next downside objective

U.S. CREDIT CARD DEBT HITS NEW HIGH



U.S. credit card balances have climbed to a record \$1.3 trillion, according to the latest household debt data, underscoring the growing role of revolving credit in consumer finances. The increase reflects steady spending alongside higher prices and borrowing costs, with the total number of open credit card accounts also reaching an all-time high.

In the fourth quarter alone, balances rose by \$45 billion, bringing the year-over-year increase to \$88 billion. While inflation has lifted transaction values, the figures also point to continued consumer resilience. Households are still spending on services and discretionary items, even as interest rates remain well above pre-pandemic levels.

DELINQUENCIES RISE BUT REMAIN CONTAINED

Credit quality indicators offer a more nuanced picture. Late payments have increased from the unusually low levels seen during the pandemic, but recent data suggests stabilization rather than acceleration.

Key trends include:

- **Serious delinquency rates, defined as balances more than 90 days past due, have risen but remain within historical norms.**
- **Mortgage delinquencies are still relatively low, supported by strong home equity built up in recent years.**
- **Employment conditions and remaining savings buffers continue to help many households manage higher borrowing costs.**

At the same time, credit card interest rates are near multi-decade highs, increasing the long-term cost of carrying balances and raising the risk of strain if income growth weakens.

The data points to a mixed outlook. Consumer demand remains solid, but it is increasingly supported by credit rather than income alone. As inflation trends and interest rate expectations evolve, policymakers, lenders, and investors will be watching closely to see whether this expansion in credit use can continue without triggering broader financial stress.



THE YUAN TESTS ITS GLOBAL FOOTPRINT



China's currency has strengthened steadily in recent months, with the offshore yuan reaching its firmest level in nearly three years against the US dollar. The move comes at a time when global debate around reserve diversification is growing, yet Beijing has taken a measured approach rather than a confrontational one. The yuan's rise reflects both domestic policy guidance and broader currency-market shifts.

BUILDING FINANCIAL CREDIBILITY

Chinese leadership continues to promote the vision of a "strong financial nation," where currency stability plays a central role. Instead of directly challenging the dollar's dominance, policymakers appear focused on reinforcing trust in the yuan. Gradual international adoption, expanded trade settlement in local currency, and carefully managed capital oversight form part of this longer-term strategy.

DOLLAR CYCLES AND RELATIVE SHIFTS

The yuan's appreciation has also coincided with phases of dollar softness, shaped by fiscal concerns and evolving Federal Reserve expectations. What markets are seeing is less a dramatic pivot and more a relative adjustment driven by growth outlooks, policy divergence, and capital flows. China's approach suggests diversification rather than displacement, broadening the yuan's role over time without forcing abrupt shifts in the financial system. The yuan's resilience signals policy confidence and a broader search for diversification. The dollar remains central, but changes in reserves may impact FX trends in the future.

DOES SLOWING HIRING POINT TO RECESSION?



Fresh revisions to US employment data have reshaped the narrative around the labor market. Net job creation for 2025 has been revised down to just 181,000, placing it among the weakest annual readings outside of an official recession. The adjustment is substantial, nearly 70% lower than initially reported, raising serious questions about how firm hiring truly was over the past year.

WHEN HIRING LOSES MOMENTUM

Employment trends often act as an early warning signal for broader economic shifts. Historically, when annual job growth has fallen to similar levels, the economy has either already been in recession or moved into one shortly afterward. Slower hiring often indicates weaker business confidence, lower investment plans, and more cautious corporate choices.

NOT YET A COLLAPSE

The overall situation, however, remains unclear. Consumer spending has not sharply deteriorated, and corporate earnings in select sectors continue to show resilience. That combination suggests the US economy is not currently in recession. Still, the loss of momentum in job creation points to an underlying fragility that cannot be ignored.

CONFIDENCE IN THE NUMBERS

The scale of the downward revision also raises another issue: trust in early data. Large adjustments tend to undermine confidence in preliminary estimates, making it harder for policymakers and markets to assess conditions in real time. That uncertainty promotes the importance of upcoming releases.

THE INDICATOR THAT MATTERS MOST

From here, the trajectory of the labor market will be decisive. If hiring stabilizes or rebounds, recession concerns may fade. If job creation remains weak or turns negative, the argument for a broader slowdown will strengthen. For now, the employment trend stands as one of the clearest signals to watch in assessing the US economic outlook.

Market Roundup

GREEN LIGHT FOR GOOGLE-WIZ

The European Commission approved Google's \$32 billion acquisition of Wiz, concluding the deal does not distort competition within the European Economic Area. Announced in March 2025, the transaction strengthens Google's cloud and cybersecurity footprint. Brussels reiterated its mandate to scrutinize major cross-border mergers under EU competition rules.



UN SEEKS CLARITY ON U.S. CONTRIBUTIONS

The United Nations is requesting a timeline from Washington regarding roughly \$4 billion in unpaid contributions; \$2.2 billion tied to the regular budget and \$1.8 billion to peacekeeping missions. U.S. officials indicated partial payments may be issued soon, though the final figure remains undecided.



RECORD EUROPEAN DEFENSE FUNDING

Investment in European defense, security, and resilience startups climbed 55% in 2025, reaching a record \$8.7 billion, according to Dealroom and the NATO Innovation Fund. Mega-deals accounted for \$4.7 billion of that total. The UK led volumes, Germany followed, while Central and Eastern Europe recorded the fastest acceleration as capital flows increasingly reflect shifting security priorities.



TRUMP BACKS COAL POWER

President Trump signed an executive order instructing the Pentagon to source energy directly from coal-fired plants, citing affordability and reliability. He also voiced support for building new coal facilities and reiterated his stance on exiting the Paris Climate Agreement.



Market Roundup

GREEN LIGHT FOR CORPORATE RESET AS DEMAND SOFTENS

Heineken plans to cut 5,000–6,000 jobs over the next two years, targeting €400–500 million in annual savings while stepping up investment in digital tools and AI as beer demand weakens. In the US auto sector, slowing EV sales and the end of tax incentives pushed GM, Ford, and Stellantis to book more than \$50 billion in impairments, with fourth-quarter EV sales down over 30%, prompting a pullback in investment plans.



Image Source: REUTERS/Dado Ruvic

US TARGETS CUBA OIL SUPPLIERS

President Trump signed an executive order enabling tariffs on goods from countries that supply oil to Cuba, tightening restrictions on the island's energy access. The move adds to the broader sanctions policy, while negotiations with Iran remain under review following Trump's meeting with Israeli Prime Minister Netanyahu, keeping geopolitical risks elevated.



STANDARD CHARTERED CUTS CRYPTO OUTLOOK

Standard Chartered cautioned that Bitcoin could drop to \$50,000 before recovering, though it maintained its \$100,000 target for 2026. The bank cut Ether's 2026 target to \$4,000 and flagged possible downside toward \$1,400 before stabilization. Weak macro conditions and continued ETF outflows remain key headwinds for digital assets.



STRUCTURAL GROWTH STRAINS EUROPE

The IMF noted that Germany's subdued growth stems from delayed reforms and weak productivity, with trade pressures limiting the recovery that began in late 2024. Meanwhile, Russia expects economic softness to extend into early 2026, with a more meaningful rebound likely only in 2027, as structural constraints keep growth projections restrained.



The Week Ahead

A holiday-shortened start in the US and a dense run of economic data across regions will shape market sentiment in the days ahead. Investors will balance corporate earnings, central bank signals, and fresh growth and inflation readings to assess whether the global economy is slowing in an orderly way or facing renewed pressure.

AMERICAS

US markets are closed on Monday for Presidents' Day, but the week remains busy. Earnings are due from major names including Walmart, Booking Holdings, Deere, Palo Alto Networks, Moody's, Cadence, Analog Devices, DoorDash, and Warner Bros Discovery. The release of the Federal Reserve's meeting minutes will be closely watched for clues on policy thinking after January's decision to hold rates at 3.50%–3.75%. Key data include the advance estimate of Q4 GDP, expected to slow to around 3% from 4.4% in Q3, partly reflecting the prolonged government shutdown. December personal income and spending, core PCE inflation, housing data, PMIs, trade figures, and sentiment surveys will also shape expectations. In Canada, inflation, retail sales, trade, and housing indicators are in focus.

EUROPE

February flash PMIs headline the European calendar, alongside UK inflation and labor market updates. Euro area manufacturing is expected to show signs of stabilization, while services activity improves. In the UK, data on inflation, wages, employment, and retail sales will influence Bank of England expectations after its narrow vote to hold rates. Germany's ZEW sentiment index is forecast to reach its highest level since mid-2021, while producer prices are set to fall for an eleventh month.

ASIA PACIFIC

China observes the Lunar New Year holiday through February 23, though January FDI data may still be released. Japan's packed schedule includes preliminary Q4 GDP, expected to rebound by 0.4%, along with trade, inflation, PMIs, and machinery orders. India releases wholesale inflation, trade, jobs data, and flash PMIs. Australia's focus is on RBA minutes, wage growth, labor data, and PMIs. Elsewhere, trade and inflation updates are due across Southeast Asia, with rate decisions expected from New Zealand, Indonesia, and the Philippines.





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