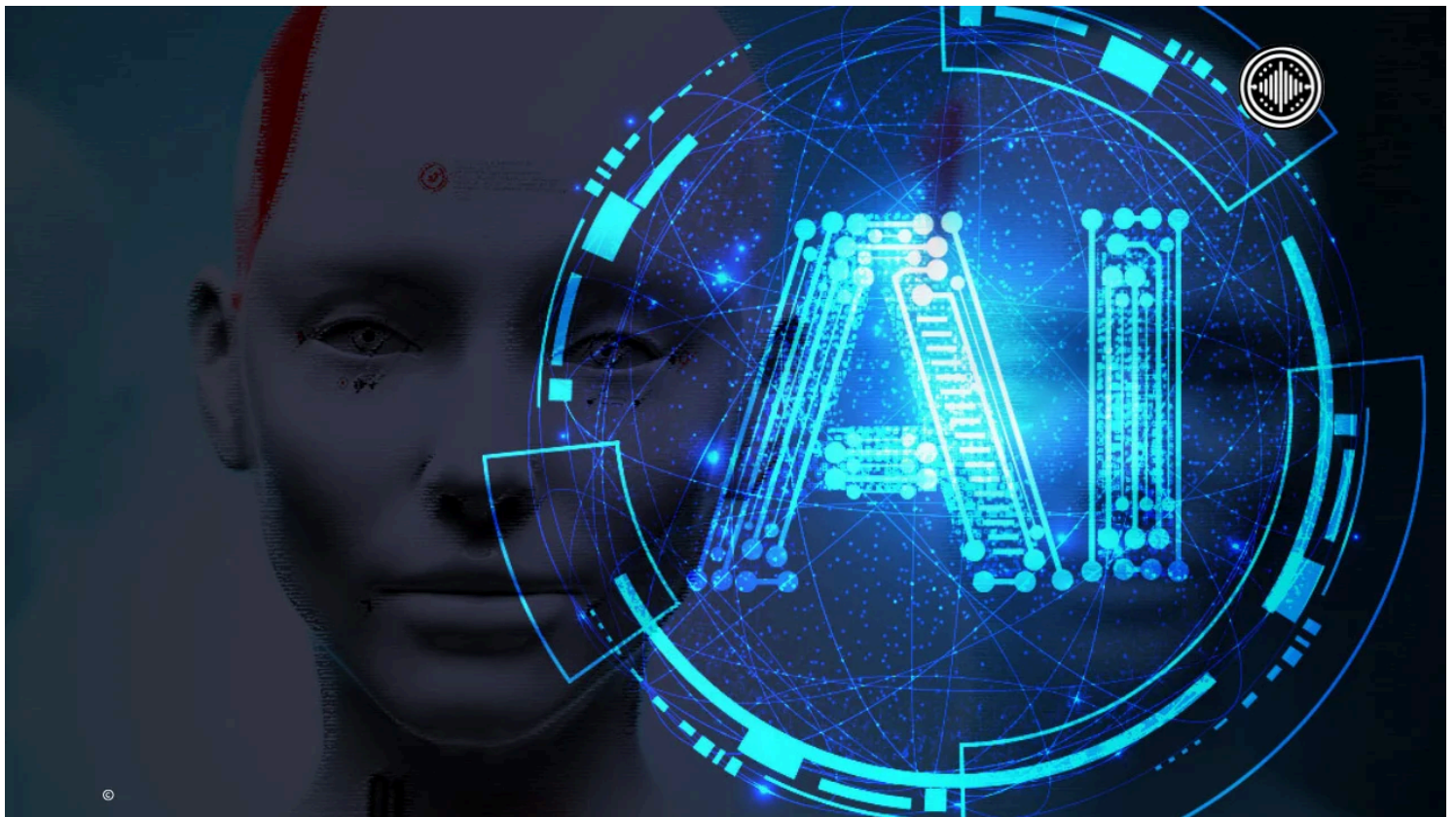


AI Crypto Tokens Poised for Growth as US Advances AI Strategy

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The cryptocurrency market has hit a temporary rough patch, with artificial intelligence (AI) tokens such as Bittensor (TAO), Artificial Superintelligence Alliance (FET), and Internet Computer (ICP) slipping into the red after a period of upward momentum. This minor setback in the altcoin season has delayed anticipated breakout rallies for these assets. However, the broader outlook remains optimistic, driven by significant developments in the United States' AI policy.

On Wednesday, US President Donald Trump signed three executive orders under “America’s AI Action Plan” to bolster the nation’s AI technology sector. Speaking at an AI summit in Washington, Trump declared, “America is the country that started the AI race, and as president of the United States, I am here today to declare that America is going to win it.” This bold commitment signals a robust push towards AI innovation, which could catalyse growth in AI-focused cryptocurrencies.

Bittensor (TAO) has seen a slight decline, down over 1% as of Thursday, compounding a 6% loss from the previous day. Despite this, TAO remains resilient, holding above the 200-day Exponential Moving Average (EMA) and the critical \$400 psychological level on the daily chart. Currently, TAO is testing the 61.8% Fibonacci level at \$422, calculated from a high of \$748 on 5 December to a low of \$167 on 7 April.

A close below this Fibonacci level could see TAO slide towards the 50-day EMA at \$382. However, a recent Golden Cross, where the 50-day EMA crossed above the 200-day EMA on Sunday, signals a potential buying opportunity for investors waiting on the sidelines. The Moving Average Convergence Divergence (MACD) indicator, however, shows declining momentum, with red histogram bars suggesting a possible reversal if they rise below the zero line. The Relative Strength Index (RSI) at 57 indicates waning buying pressure, having retreated from near-overbought territory.

For a bullish trend to solidify, TAO must break above the weekly high of \$461 and the \$495 resistance level, last tested on 31 May. A successful breakout could propel TAO towards the 78.6% Fibonacci level at \$543, marking a significant rally.

The Artificial Superintelligence Alliance (FET) has dipped by nearly 4% this week, hitting the 38.2% Fibonacci level at \$0.834, drawn from a high of \$3.48 on 25 March to a low of \$0.34 on 7 April. Technical analysis suggests FET is nearing a cup-and-handle pattern breakout, with \$0.834 acting as a key overhead resistance. A decisive weekly close above this level could drive FET towards the 50% Fibonacci level at \$1.09.

The MACD indicator on the weekly chart shows a gradual recovery in bullish momentum, with the MACD and signal lines approaching the zero line. However, the RSI, currently at 48, remains neutral, indicating a lack of strong directional momentum. Should FET fall below the previous week’s low of \$0.67, it could retest June’s low at \$0.54, posing a risk to short-term bulls.

Internet Computer (ICP) has also faced downward pressure, declining 2% on Thursday, extending an 8% drop from Wednesday. This follows a 9% gain last week, spurred by a trendline breakout and the launch of CaffeineAI, a platform enhancing AI-driven blockchain applications. ICP is currently retesting the 100-day EMA and approaching a previously broken resistance trendline. A drop below the \$5.00 psychological level could negate the recent breakout, potentially pushing ICP towards the \$4.50 support zone.

The MACD indicator is showing signs of a reversal, with descending green histogram bars, while the RSI at 50 reflects a neutral stance and a sharp decline in buying pressure from overbought levels. For ICP to regain bullish momentum, it must surpass the 200-day EMA at \$6.20, potentially targeting the 50% Fibonacci level at \$8.07, calculated from a high of \$15.57 on 7 December to a low of \$4.18 on 7 April.

Despite the current market pullback, the long-term prospects for AI crypto tokens remain compelling. The US government's aggressive push to dominate the global AI race, underscored by Trump's executive orders, positions tokens like TAO, FET, and ICP as potential leaders in the upcoming altcoin season. Investors should monitor key technical levels and broader market sentiment, as these assets are well-placed to capitalise on the growing synergy between AI and blockchain technology. As the UK's Labour government continues to grapple with economic challenges, the US's proactive stance on AI could further widen the transatlantic tech gap, making these tokens a focal point for forward-thinking investors.