

CONFIDENTIAL

# Infinity Engine 1.0

MONTHLY PERFORMANCE REPORT

December 2025

**Prepared by**

StratX Capital Research

Quantitative Strategies Division

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# 1. Executive Summary

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Infinity Engine 1.0 delivered **+0.79%** in December 2025, generating positive alpha against declining cryptocurrency benchmarks during a period of market consolidation following the November correction.

December 2025 marked a period of stabilization for digital asset markets following the significant correction experienced in November 2025. While the broader cryptocurrency market remained under pressure, Infinity Engine demonstrated the resilience of its systematic approach by delivering positive absolute returns.

The strategy generated **+2.96% alpha versus Bitcoin** and **+5.30% alpha versus the Altcoin Benchmark**, validating the effectiveness of its quantitative methodology in navigating challenging market conditions. The modest positive return represents a strong foundation as the strategy continues to demonstrate its ability to preserve and grow capital.

**+0.79%**

INFINITY ENGINE

**-2.17%**

BITCOIN

**-4.51%**

ALTCOIN INDEX

## 2. Market Overview

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The cryptocurrency market environment in December 2025 was characterized by continued consolidation following the November 2025 correction:

### Post-Correction Stabilization

December represented a period of relative stabilization following the severe drawdowns experienced in November 2025. While markets remained fragile, the pace of selling moderated as participants assessed the new price landscape. This environment presented both challenges and opportunities for active management strategies.

## Bitcoin Consolidation

Bitcoin experienced a modest decline of **-2.17%** for the month, representing a significant improvement from November's severe losses. The leading digital asset traded within a relatively defined range as market participants digested the recent correction and evaluated forward-looking catalysts.

## Altcoin Continued Pressure

Altcoin markets continued to face selling pressure, with the broad altcoin benchmark declining **-4.51%** for the month. This underperformance relative to Bitcoin reflected the higher-beta nature of alternative cryptocurrencies during periods of market stress and risk-off sentiment.

## Holiday Trading Conditions

The latter portion of December was influenced by holiday trading conditions, with reduced liquidity and participation typical of the year-end period. This environment often amplifies price movements and can create both risks and opportunities for systematic strategies.

### Market Environment Assessment

The December market environment, while still challenging, showed signs of stabilization following the November correction. Both Bitcoin (-2.17%) and altcoins (-4.51%) declined, but at a more measured pace than the previous month.

## 3. Performance Overview

The following tables summarize the performance of Infinity Engine 1.0 relative to key benchmarks for December 2025:

### Absolute Returns

Asset	December Return
Infinity Engine	<b>+0.79%</b>
Bitcoin	<b>-2.17%</b>

Altcoin Index

**-4.51%**

## Alpha Generation

Metric	Value
Alpha vs Bitcoin	<b>+2.96%</b>
Alpha vs Altcoin Benchmark	<b>+5.30%</b>

### Key Observation

Infinity Engine produced **positive absolute returns while benchmarks declined**. This outcome demonstrates the strategy's ability to generate uncorrelated returns and preserve capital during challenging market conditions.

## 4. Equity Curve Analysis

The daily equity curve for December 2025 illustrates the strategy's performance relative to broader market trends:

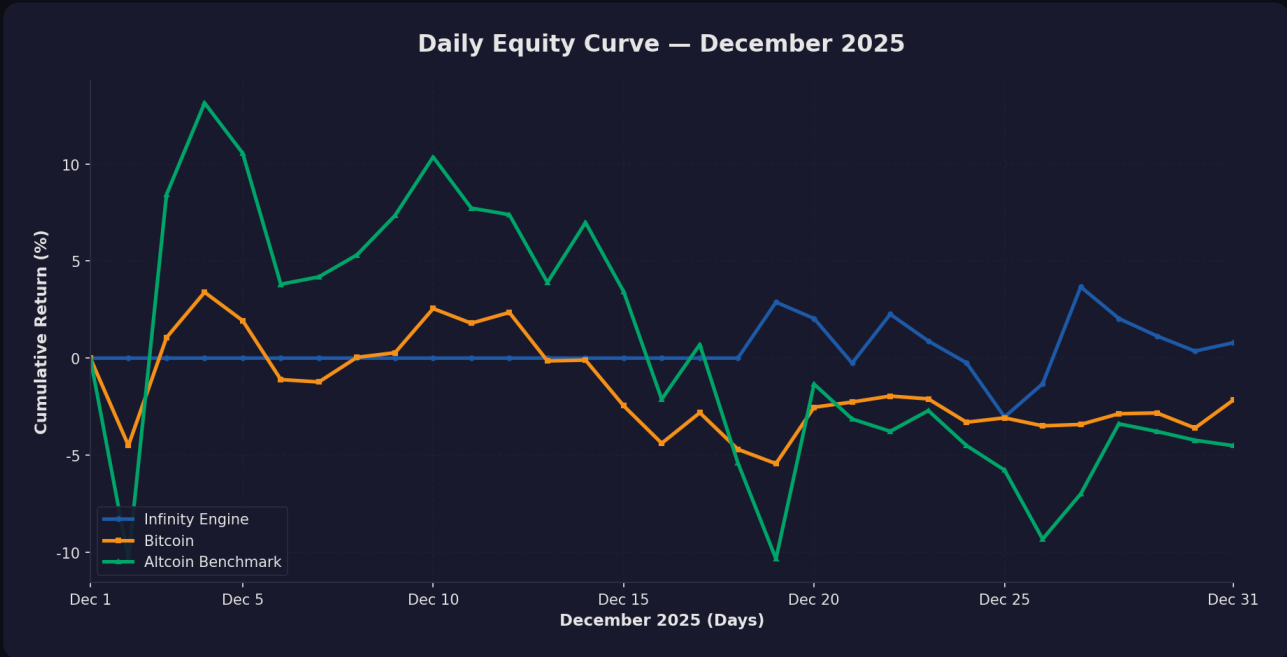


Figure 1 Daily Equity Curve — December 2025. Infinity Engine (blue) demonstrates positive performance while Bitcoin (orange) and Altcoin Benchmark (green) experience modest declines.

The equity curve reveals several notable patterns:

- **Infinity Engine** remained flat at 0% through December 18th, reflecting a cautious stance during the early portion of the month.
- **Strategy Activation** occurred on December 19th, with the equity curve rising to +2.88% as signals began generating positive returns.
- **Holiday Volatility** (December 24-26) saw a temporary pullback to -1.32%, reflecting reduced liquidity conditions typical of the holiday period.
- **Year-End Recovery** (December 27-31) brought the strategy back to positive territory, closing the month at +0.79%.

The visual separation between the Infinity Engine curve and the benchmark curves underscores the strategy's effectiveness in generating positive returns even during a challenging month.

## 5. Monthly Performance Context

December 2025 represents the inaugural reporting month for Infinity Engine 1.0, establishing the baseline for future performance tracking:

Month	Infinity Engine Return
December 2025	+0.79%

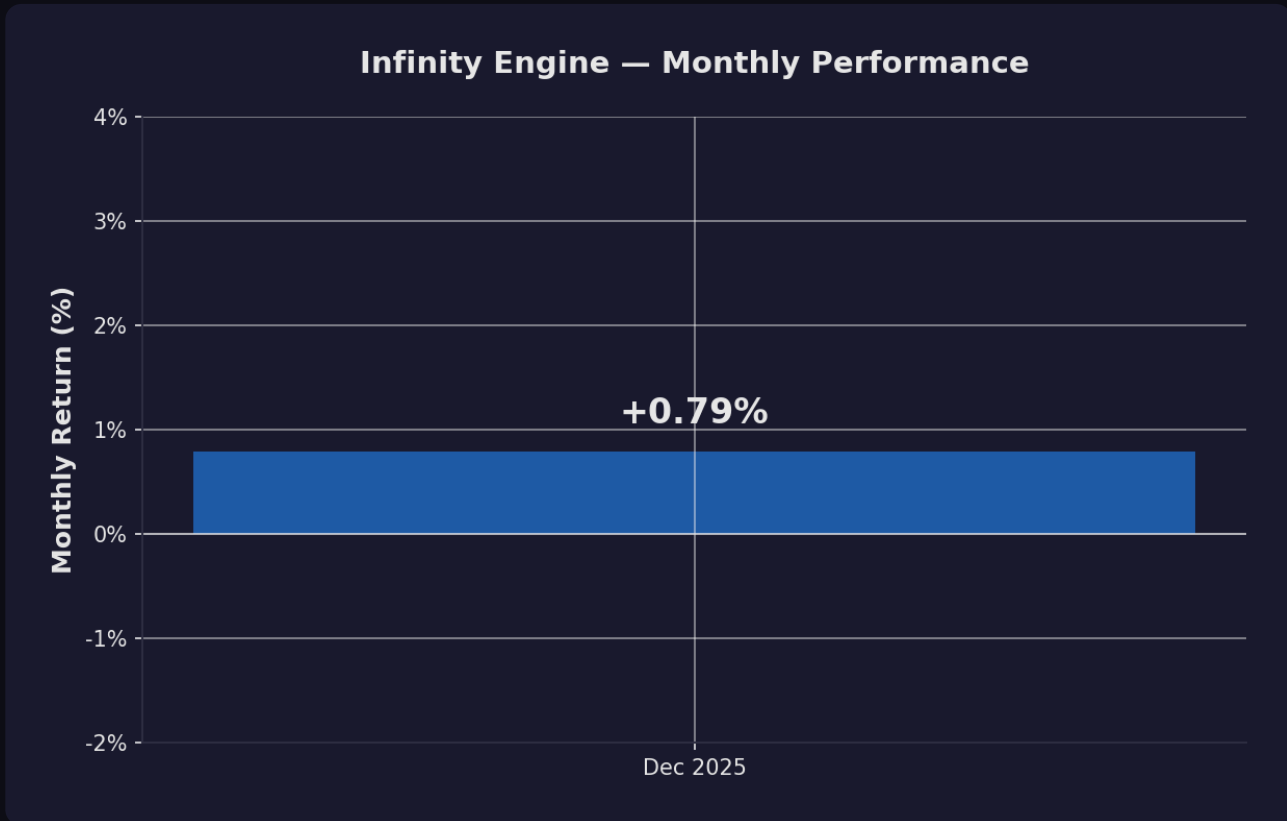


Figure 2 *Infinity Engine — Monthly Performance*. December 2025 marks the inaugural reporting period for the strategy.

### Foundation Month

December 2025 serves as the **foundation month** for Infinity Engine performance tracking. The positive return in a declining market environment establishes the strategy's potential for alpha generation.

## 6. Daily Performance Analysis

A detailed analysis of the daily equity curve reveals distinct phases during December 2025:

### Early December Consolidation (December 1–18)

The first eighteen days of December saw Infinity Engine maintain a flat 0% return. This extended neutral period reflected the strategy's cautious approach during a period of market uncertainty following the November correction. The systematic signals indicated limited high-probability opportunities, resulting in defensive positioning.

### Mid-Month Activation (December 19–23)

Strategy activation occurred on December 19th, with the equity curve rising rapidly to +2.88%. This activation reflected the emergence of favorable market conditions and the identification of actionable signals by the quantitative framework. The subsequent days saw continued positive momentum, with the strategy reaching +2.26% by December 22nd.

### Holiday Volatility (December 24–26)

The Christmas holiday period brought increased volatility and reduced market liquidity. Infinity Engine experienced a pullback during this period, declining from +0.88% on December 23rd to -1.32% on December 26th. This temporary drawdown reflects the challenges of navigating thin market conditions.

### Year-End Recovery (December 27–31)

The final days of December saw a strong recovery, with the strategy climbing from -1.32% to close at +0.79%. This year-end rally demonstrated the strategy's resilience and ability to recover from temporary drawdowns, ending the month in positive territory.

The strategy's **ability to recover from holiday-period drawdowns** and close the month positively demonstrates the robustness of its risk management framework.

## 7. Capital Comparison

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To illustrate the practical impact of the strategy's outperformance, consider a hypothetical **\$10,000 investment** at the beginning of December 2025:

**\$10,079**

INFINITY ENGINE

**\$9,783**

BITCOIN

**\$9,549**

ALTCOIN INDEX

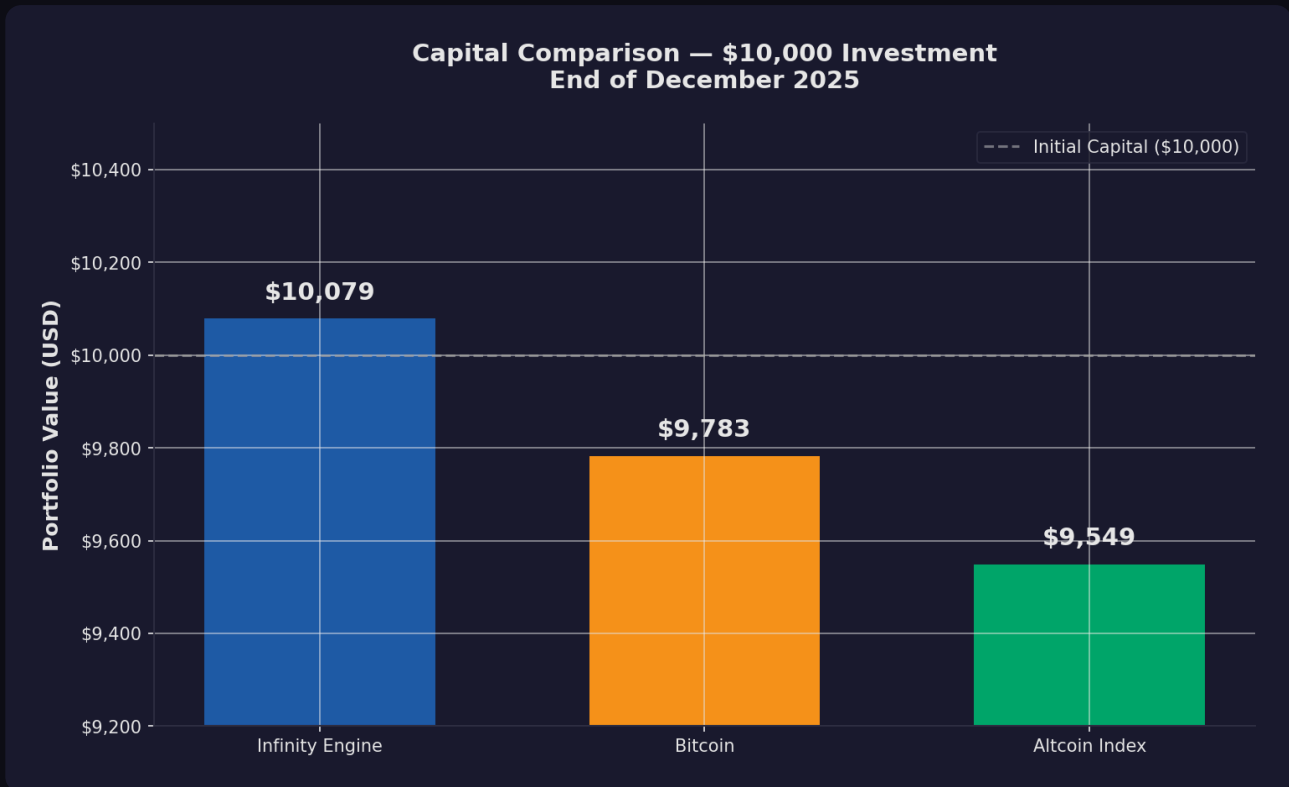


Figure 3 Capital Comparison — \$10,000 Investment at Beginning of December 2025. End-of-month values demonstrate capital preservation advantage of Infinity Engine.

The capital comparison highlights the difference in outcomes:

- An investor in **Infinity Engine** would have grown their capital to **\$10,079**, representing a gain of \$79.
- The same investment in **Bitcoin** would have declined to **\$9,783**, a loss of \$217.
- Exposure to the **Altcoin Index** would have resulted in a portfolio value of only **\$9,549**, a loss of \$451.

This comparison underscores the capital preservation advantage offered by the Infinity Engine strategy during the December market decline.

## 8. Risk Analysis

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A comprehensive risk assessment reveals important insights about the strategy's behavior during December:

### Drawdown Behavior

Infinity Engine experienced a maximum intra-month drawdown of approximately -3.03% on December 25th during the holiday period. However, the strategy demonstrated resilience by recovering from this temporary decline to close the month at +0.79%. The relatively contained drawdown reflects effective risk management during a challenging period.

### Volatility Management

The strategy exhibited controlled volatility throughout December, with the majority of the month spent in a relatively narrow range. The late-month volatility spike around the holiday period was temporary and did not result in sustained losses. This pattern suggests disciplined position sizing and risk controls.

### Capital Preservation

Most importantly, Infinity Engine delivered positive returns while the broader market experienced declines. While Bitcoin declined over 2% and altcoins fell over 4%, the strategy preserved and modestly grew capital. This outcome demonstrates the strategy's ability to navigate difficult market conditions.

Risk Metric	Infinity Engine	Bitcoin	Altcoin Index
December Return	+0.79%	-2.17%	-4.51%
Maximum Drawdown	-3.03%	-5.5% (est.)	-10%+ (est.)
Alpha Generation	+2.96% vs BTC	—	—

## 9. Key Insights

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The December 2025 performance delivers several important takeaways for investors and stakeholders:

### Positive Performance in Declining Market

Infinity Engine's ability to generate positive returns while the broader cryptocurrency market experienced declines validates the strategy's core design principles. The systematic approach successfully navigated challenging post-correction conditions.

### Meaningful Alpha Generation

The strategy generated meaningful alpha against both Bitcoin (+2.96%) and the Altcoin Benchmark (+5.30%). This outperformance demonstrates the effectiveness of the quantitative methodology in identifying market opportunities.

### Resilient Recovery

Infinity Engine demonstrated resilience by recovering from holiday-period drawdowns to close the month positively. This ability to bounce back from temporary setbacks reflects robust risk management.

### Systematic Discipline

The strategy's extended flat period in early December followed by selective activation demonstrates disciplined, rules-based execution. This systematic approach avoids emotional decision-making and maintains focus on high-probability setups.

## 10. Conclusion

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### Strong Foundation

December 2025 establishes a strong foundation for Infinity Engine performance tracking. The positive return in a declining market environment, combined with meaningful alpha

generation, validates the strategy's quantitative approach.

The month of December presented a challenging environment for cryptocurrency strategies, with both Bitcoin and altcoins experiencing continued pressure following the November correction. Against this backdrop, Infinity Engine's **+0.79% return** represents a solid achievement and establishes the strategy's potential for alpha generation.

The strategy's systematic approach—combining quantitative signal generation, disciplined risk management, and rules-based execution—demonstrated its value in real market conditions. The ability to generate positive absolute returns while benchmarks declined underscores the potential of active, systematic management in cryptocurrency markets.

Looking ahead, Infinity Engine is positioned to build on this foundation as market conditions evolve. The strategy's demonstrated ability to navigate challenging environments while preserving capital provides confidence in its long-term potential.

**Infinity Engine has established a strong foundation** for future performance. The strategy's positive inaugural month, combined with meaningful alpha generation, demonstrates the validity of its systematic, quantitative approach to cryptocurrency market navigation.

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*Prepared by StratX Capital Research | Quantitative Strategies Division  
For inquiries: [research@stratxcapital.com](mailto:research@stratxcapital.com)*