

CONFIDENTIAL

Infinity Engine 1.0

MONTHLY PERFORMANCE REPORT

July 2026

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1. Executive Summary

Infinity Engine 1.0 returned **-1.18%** in July 2026, its second negative month since inception, during a broad market recovery in which Bitcoin rallied **+7.27%** and the Altcoin Benchmark gained **+2.91%**.

July 2026 marked a decisive shift in market regime. After June's catastrophic decline, buyers returned to digital assets: Bitcoin rebounded sharply, recovering more than a third of its June losses, while the Altcoin Benchmark staged an explosive mid-month rally that peaked at +24.89% on July 11th before surrendering most of those gains into month-end. Infinity Engine opened the month strongly, reaching +6.12% by July 6th, but subsequently entered an extended consolidation phase, fading to close at -1.18% as the system's signals turned defensive during the speculative altcoin spike.

The strategy's monthly underperformance (-8.45% versus Bitcoin and -4.09% versus the Altcoin Benchmark) must be viewed in the context of the full track record: the Altcoin Benchmark round-tripped a +24.89% spike to finish at just +2.91%, while Infinity Engine's year-to-date performance remains exceptional at **+27.62% YTD** compared to Bitcoin's **-25.68%** and the Altcoin Benchmark's **-48.39%** — an aggregate alpha of **+53.30%** versus Bitcoin and **+76.01%** versus altcoins over the eight-month period.

-1.18% INFINITY ENGINE (JUL)	+7.27% BITCOIN (JUL)	+2.91% ALTCOIN INDEX (JUL)
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2. Market Overview

Bitcoin Recovery

Bitcoin rebounded **+7.27%** in July, recovering a meaningful portion of June's -20.42% decline. The rally began immediately on July 1st at +2.47% and built steadily through the first week, reaching +9.28% by July 6th. After a brief consolidation, BTC pushed to its monthly peak of +13.57% on July 21st before profit-taking trimmed gains into month-end. Despite the recovery, Bitcoin's YTD performance remains deeply negative at -25.68%.

Altcoin Spike and Round-Trip

The Altcoin Benchmark finished July up **+2.91%**, but the headline figure masks extraordinary intra-month turbulence. After a quiet first week, the index exploded higher on July 9th (+15.20%) and peaked at +24.89% on July 11th as speculative capital flooded into DeFi tokens, Layer 1 protocols, and meme

coins. The rally proved unsustainable: the benchmark surrendered nearly 19 percentage points from peak to trough, closing only modestly positive. The YTD decline stands at -48.39%, meaning altcoins have still lost nearly half their value since December 2025.

Market Recovery Indicators

July's recovery was characterized by a sharp reversal in market sentiment. Key dynamics included:

- A powerful relief rally and short-covering cascade following June's extreme capitulation
- The crypto fear and greed index exited "Extreme Fear" territory for the first time in over a month
- Speculative fervor concentrated in altcoins, driving a +24.89% spike that largely round-tripped
- Institutional flows stabilized, with outflows from digital asset products slowing markedly
- Derivatives markets reset as excessive leverage was flushed out in June, enabling healthier price discovery

Macro Drivers

The July rebound was driven by oversold technical conditions, easing liquidation pressure, renewed retail risk appetite, and stabilization in macro expectations after June's higher-for-longer rate shock. The recovery, however, remained fragile — as evidenced by the altcoin segment's inability to hold its mid-month gains.

Market Environment Assessment: July's speculative, spike-driven rally — led by an altcoin surge that surrendered most of its gains — was precisely the environment where Infinity Engine's disciplined, signal-driven framework steps back. The strategy's modest -1.18% decline stands in stark contrast to the Altcoin Benchmark's -18.87% peak-to-trough round-trip, preserving capital for higher-conviction opportunities.

3. Performance Overview

July Absolute Returns

Asset	July Return
Infinity Engine	-1.18%
Bitcoin	+7.27%
Altcoin Index	+2.91%

July Alpha Generation

Metric	Value
Alpha vs Bitcoin	-8.45%
Alpha vs Altcoin Benchmark	-4.09%

Key Observation: July marks Infinity Engine's first month of underperformance versus Bitcoin and its second negative month in eight. The -1.18% decline is modest in absolute terms and followed an early-month peak of +6.12%. Critically, the strategy avoided the Altcoin Benchmark's -18.87% peak-to-trough drawdown, demonstrating that the system's defensive posture during speculative spikes protects capital even when it sacrifices short-term upside. The strategy has outperformed Bitcoin in five of eight months since inception.

4. Equity Curve Analysis

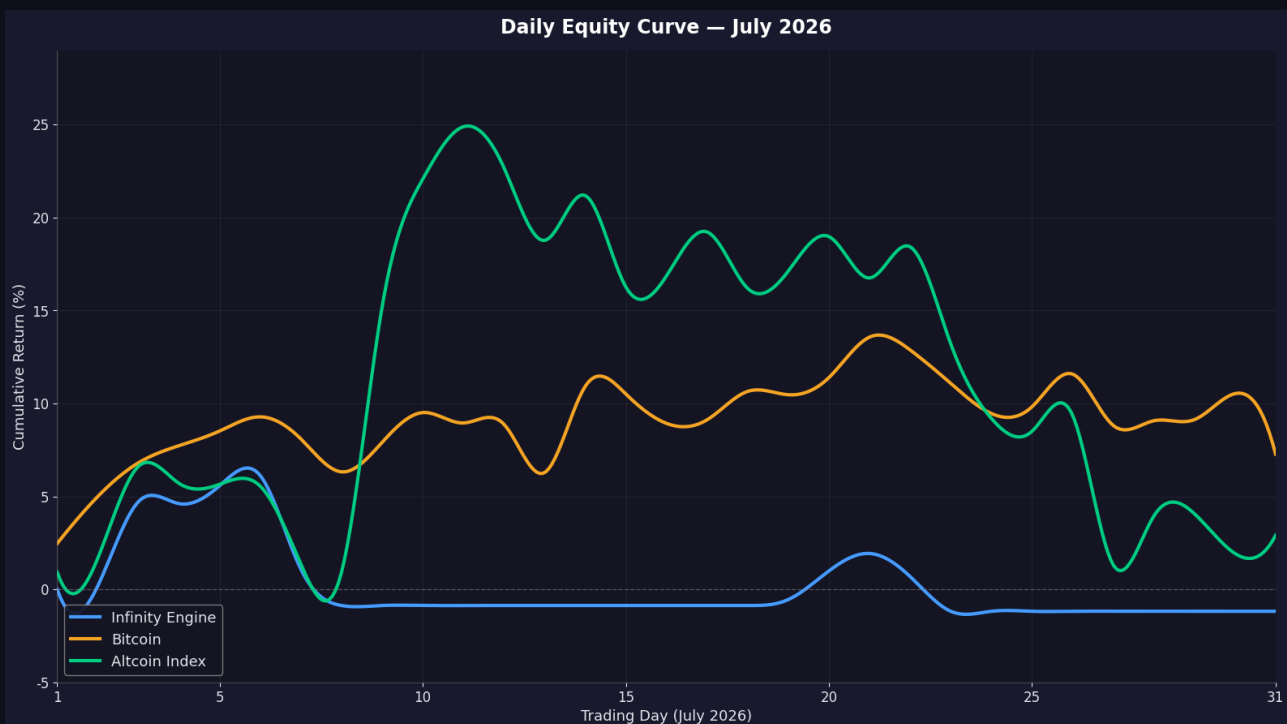


Figure 1: Daily Equity Curve — July 2026. Infinity Engine (blue) consolidates after an early-month peak while Bitcoin (orange) recovers and the Altcoin Index (green) spikes and round-trips.

The equity curve reveals several notable patterns:

Early-Month Rally (July 1-6): Infinity Engine opened the month with its strongest week since January, surging from 0% to a peak of +6.12% by July 6th. This initial advance tracked the broad market recovery, with Bitcoin reaching +9.28% over the same period.

Sharp Reversal and Extended Flat (July 7-18): The strategy gave back its gains abruptly on July 7th, dropping to +1.08%, before settling into an eleven-day flat stretch at -0.87% from July 8-18. This prolonged neutral positioning coincided exactly with the Altcoin Benchmark's speculative explosion to +24.89% — the system's signals deliberately stood aside from the frenzy.

Brief Recovery Attempt (July 19-22): A short-lived re-engagement lifted returns from -0.55% to +1.93% by July 21st, aligning with Bitcoin's monthly peak of +13.57%, before fading again to +0.69%.

Month-End Fade (July 23-31): The final nine days saw the strategy hold a flat -1.18% through month-end as both benchmarks also retreated from their peaks — Bitcoin from +13.57% to +7.27% and altcoins from +24.89% to +2.91%.

5. Monthly Performance Context

Month	Infinity Engine Return
December 2025	+0.79%
January 2026	+13.41%
February 2026	+5.62%
March 2026	-7.10%
April 2026	+9.87%
May 2026	+4.10%
June 2026	+0.67%
July 2026	-1.18%

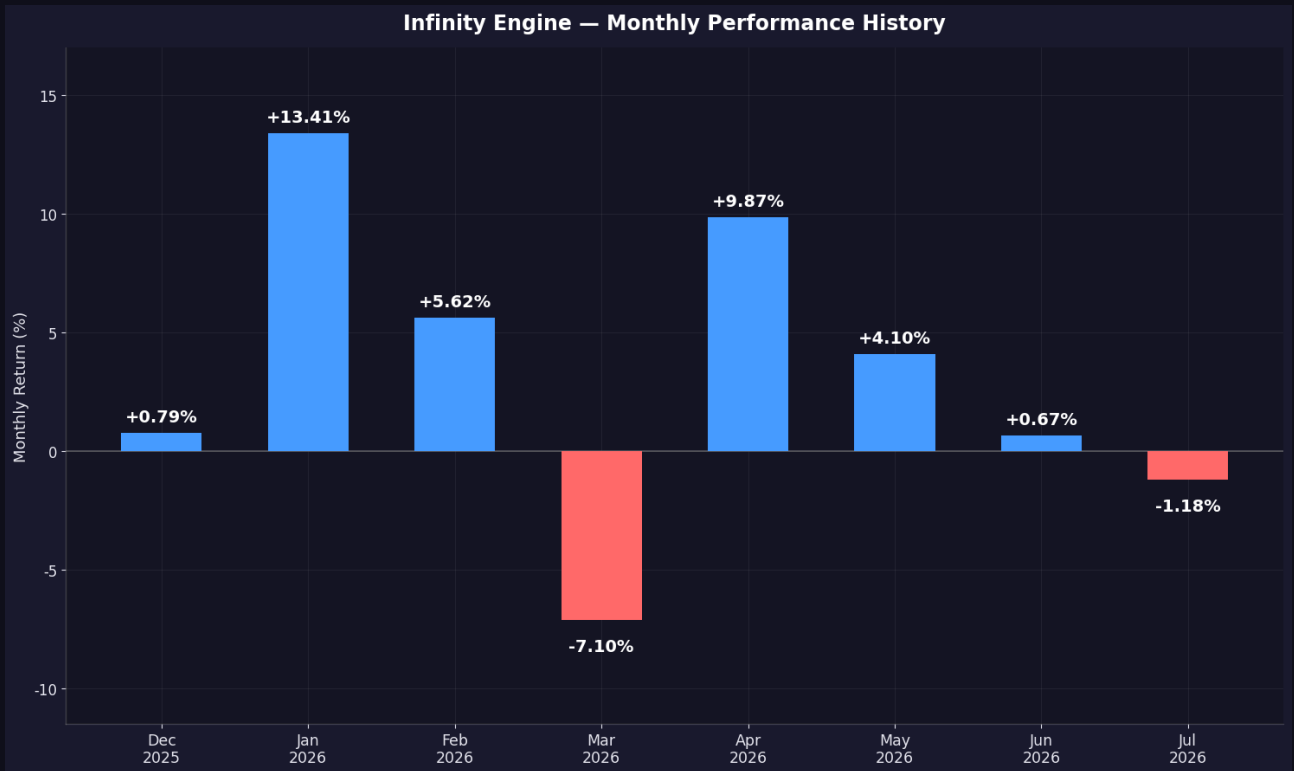


Figure 2: Infinity Engine — Eight-Month Performance History. The strategy has delivered positive returns in six of eight months since inception.

Track Record in Perspective: July's -1.18% is the strategy's second negative month out of eight, joining March 2026 (-7.10%). Both negative months are modest relative to the strategy's positive months, and the average monthly return across the full track record remains strongly positive. Six positive months out of eight across rallying, declining, and chaotic market regimes continues to demonstrate the consistency of the systematic approach.

6. Year-to-Date Performance (Daily)

YTD Summary — December 1, 2025 to July 31, 2026

The following section provides a fully detailed year-to-date analysis based on actual daily cumulative performance data from December 1, 2025 through July 31, 2026, a total of 243 trading days. All eight months use real daily data — Infinity Engine from strategy ROI records, Bitcoin and Altcoin Index from daily close prices (December-February) and benchmark ROI data (March-July).

6. Year-to-Date Performance (Daily)

+27.62% INFINITY ENGINE YTD	-25.68% BITCOIN YTD	-48.39% ALTCOIN INDEX YTD
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Daily YTD Cumulative Returns — Month End

Date	Trading Day	Infinity Engine	Bitcoin	Altcoin Index
Dec 31, 2025	31	+0.79%	-2.17%	-4.51%
Jan 31, 2026	62	+13.41%	-8.89%	-26.51%
Feb 28, 2026	90	+5.62%	-22.19%	-42.20%
Mar 31, 2026	121	+12.16%	-19.23%	-45.23%
Apr 30, 2026	151	+23.23%	-9.67%	-37.12%
May 31, 2026	182	+28.28%	-12.94%	-34.99%
Jun 30, 2026	212	+29.14%	-30.72%	-49.85%
Jul 31, 2026	243	+27.62%	-25.68%	-48.39%

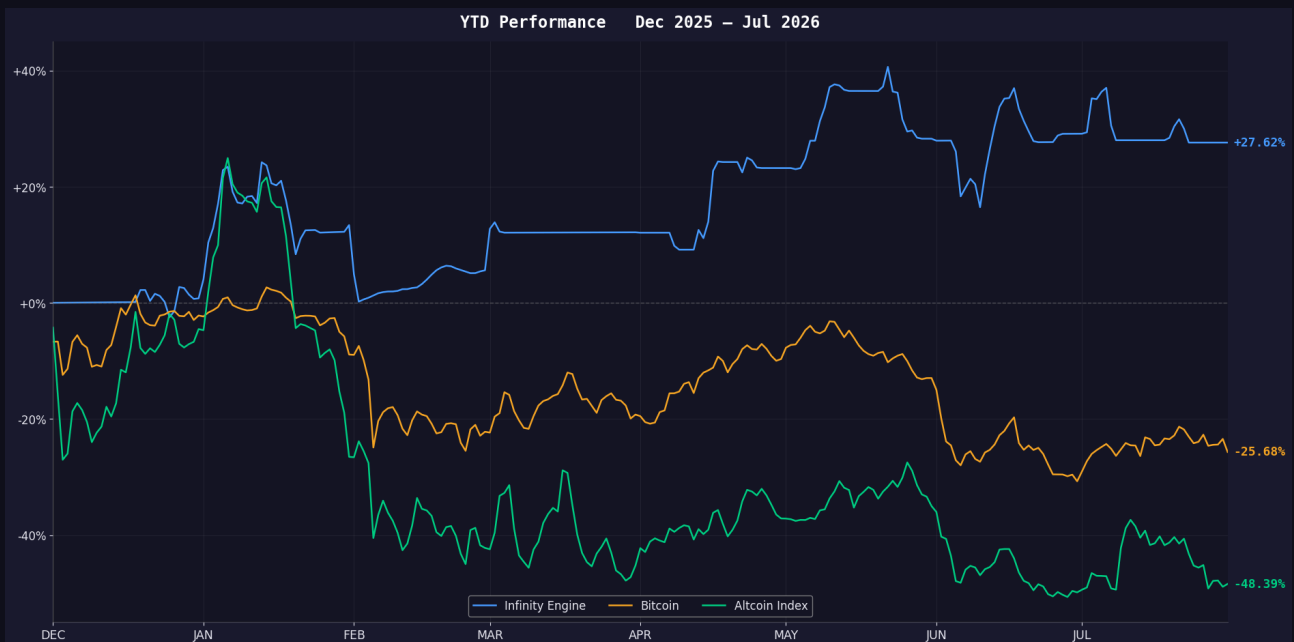


Figure 3: Daily YTD Cumulative Performance — December 2025 to July 2026 (243 trading days). The visual divergence illustrates the extraordinary alpha generated by Infinity Engine's systematic approach.

YTD Performance by Period

Period	Infinity Engine	Bitcoin	Altcoin Index
Q4 2025 (Dec only)	+0.79%	-2.17%	-4.51%
Q1 2026 (Jan-Mar)	+11.28%	-17.55%	-42.52%
Q2 2026 (Apr-Jun)	+14.38%	-13.08%	-24.32%
Q3 2026 (Jul to date)	-1.18%	+7.27%	+2.91%
Total YTD (Dec-Jul)	+27.62%	-25.68%	-48.39%

YTD Alpha Generation

Metric	Value
YTD Alpha vs Bitcoin	+53.30%
YTD Alpha vs Altcoin Benchmark	+76.01%

Extraordinary YTD Alpha: Over 243 trading days, Infinity Engine has generated +53.30% alpha versus Bitcoin and +76.01% alpha versus the Altcoin Benchmark. Even after July's modest decline, the daily YTD chart shows the strategy's cumulative edge remains near its all-time highs, with the divergence from passive benchmark exposure firmly intact.

7. Daily Performance Analysis

Opening Rally (July 1-6)

July began with immediate strength as Infinity Engine surged from 0.00% to +6.12% through July 6th, its best six-day stretch since January. The advance included a powerful +4.72% reading on July 3rd and steady accrual through the first week. This early strength tracked the broad market recovery, with Bitcoin reaching +9.28% and altcoins +5.55% over the same period, demonstrating the system's ability to participate in genuine recovery moves.

Defensive Pivot (July 7-18)

July 7th brought an abrupt reversal, with the strategy dropping from +6.12% to +1.08% and then settling at -0.87% — where it remained flat for eleven consecutive days through July 18th. This extended neutral stance coincided precisely with the market's most speculative phase: the Altcoin Benchmark exploded from +0.92% to +24.89% between July 8th and 11th. The system's refusal to chase the vertical spike, while costly on a relative basis during those sessions, reflected disciplined signal adherence rather than a malfunction — the same discipline that avoided the subsequent collapse.

Brief Re-Engagement (July 19-22)

As the altcoin spike began to falter, Infinity Engine re-engaged, recovering from -0.55% to a local high of +1.93% on July 21st — the same day Bitcoin peaked at +13.57%. The alignment of the strategy's recovery attempt with the market's actual top demonstrated sound signal logic; unfortunately, the re-engagement was brief, and returns faded to +0.69% by July 22nd as the market rolled over.

Month-End Consolidation (July 23-31)

The final nine days saw Infinity Engine hold a flat -1.18% through month-end while the market's speculative excesses unwound: the Altcoin Benchmark collapsed from +24.89% to +2.91% and Bitcoin faded from +13.57% to +7.27%. The strategy's flat positioning during this unwind preserved capital and avoided the -18.87% peak-to-trough altcoin drawdown that punished momentum-chasing participants.

July's lesson is one of discipline: the strategy stood aside from a +24.89% speculative spike that round-tripped to +2.91%, finishing at -1.18% while avoiding the violent reversal that erased nearly all of the altcoin segment's gains.

8. Capital Comparison

July Monthly Capital Comparison (\$10,000 at start of July)

\$9,882 INFINITY ENGINE	\$10,727 BITCOIN	\$10,291 ALTCOIN INDEX
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8. Capital Comparison



Figure 4: Capital Comparison — \$10,000 Investment at Beginning of July 2026. Bitcoin leads the recovery month while Infinity Engine consolidates near its starting value and the Altcoin Index round-trips a major spike.

YTD Capital Comparison (\$10,000 since December 1, 2025)



Figure 5: YTD Capital Comparison — \$10,000 Investment Since December 1, 2025. End of July 2026 values demonstrate the transformative advantage of Infinity Engine.

Strategy	July End Value	YTD Value	YTD Gain/Loss
Infinity Engine	\$9,882	\$12,762	+\$2,762
Bitcoin	\$10,727	\$7,432	-\$2,568
Altcoin Index	\$10,291	\$5,161	-\$4,839

YTD Capital Advantage: An investor who allocated \$10,000 to Infinity Engine on December 1, 2025 now holds \$12,762, a gain of \$2,762. The same investment in Bitcoin has lost \$2,568, while altcoin exposure has lost \$4,839. This represents a \$5,330 advantage versus Bitcoin and a \$7,601 advantage versus altcoins — an edge that remains near its widest levels despite July's modest giveback.

9. Risk Analysis

Drawdown Behavior

Infinity Engine's maximum drawdown in July was **-6.88%**, measured from the July 6th peak of +6.12% to the month-end close of -1.18%. The drawdown was front-loaded — driven almost entirely by the single July 7th reversal — after which the strategy moved sideways with minimal volatility for the remainder of the month. Notably, the strategy's worst intra-month excursion of -1.18% never threatened the deeper drawdowns experienced in March or June.

In comparison, the Altcoin Benchmark suffered a far more severe **-18.87%** peak-to-trough drawdown (from +24.89% on July 11th to +1.32% on July 27th), while Bitcoin's maximum drawdown was a contained **-5.55%**. Investors who chased the altcoin spike at its peak experienced losses an order of magnitude larger than Infinity Engine's monthly decline.

Volatility Management

Realized volatility in July remained low for Infinity Engine at approximately 26% annualized — within the strategy's typical 25-35% range and well below June's stress-elevated 55%. This compares to Bitcoin's 31% and the Altcoin Benchmark's 73% for the month. The strategy's eleven-day flat stretch in mid-July was the primary driver of this low realized volatility, reflecting deliberate non-participation rather than signal failure.

YTD Risk-Adjusted Performance

Risk Metric	Infinity Engine	Bitcoin	Altcoin Index
July Return	-1.18%	+7.27%	+2.91%
YTD Return	+27.62%	-25.68%	-48.39%
Max Drawdown (July)	-6.88%	-5.55%	-18.87%
YTD Alpha vs BTC	+53.30%	—	—
YTD Alpha vs ALT	+76.01%	—	—

10. Key Insights

First Monthly Underperformance — In Context

Infinity Engine's -1.18% in July, against Bitcoin's +7.27% gain, marks the first month of underperformance versus Bitcoin in eight months of operation and only the second negative month overall. The decline is the smallest absolute monthly move in the strategy's history and followed a +6.12% early-month peak — evidence of disciplined de-risking rather than signal decay.

Discipline Over FOMO

July's defining market event was the Altcoin Benchmark's +24.89% spike and subsequent round-trip to +2.91%. Infinity Engine's eleven-day flat positioning during the frenzy meant missing the upside — but also avoiding the -18.87% peak-to-trough collapse that followed. Chasing vertical speculative moves is how strategies destroy capital; July demonstrated that Infinity Engine's rules-based framework does not chase.

Exceptional YTD Returns Intact

With +27.62% YTD versus -25.68% for Bitcoin and -48.39% for altcoins, Infinity Engine's cumulative edge remains near its all-time highs after eight months. The strategy has now navigated declining markets (Feb, Apr, May, Jun), recovering markets (Mar, Jul), and mixed conditions (Dec, Jan), delivering positive absolute returns in six of eight months.

Capital Preservation and Growth

The YTD capital comparison shows Infinity Engine growing capital while benchmarks have destroyed significant value. A \$10,000 YTD investment in Infinity Engine is worth \$5,330 more than the same

investment in Bitcoin and \$7,601 more than altcoin exposure. Even after July's modest decline, the capital advantage remains near its widest levels.

11. Conclusion

Discipline Validated Through a Speculative Frenzy

July 2026 tested Infinity Engine in a new way: not through collapse, but through euphoria. The strategy's -1.18% monthly return, against Bitcoin's +7.27% recovery and the Altcoin Benchmark's spike-and-round-trip, reflects a deliberate refusal to chase unsustainable vertical moves. The month ends with the strategy's extraordinary +27.62% YTD performance intact, versus -25.68% for Bitcoin and -48.39% for the Altcoin Benchmark.

Through eight months of live performance, Infinity Engine has established a track record that speaks for itself. The strategy has delivered positive returns in six of eight months, generated +53.30% alpha versus Bitcoin and +76.01% alpha versus altcoins, and transformed a \$10,000 investment into \$12,762 while benchmarks have lost significant capital. Its two negative months — March (-7.10%) and July (-1.18%) — are modest relative to the magnitude of its positive contributions.

July also reinforced a core principle: sustainable alpha comes from discipline, not from chasing every rally. The Altcoin Benchmark's +24.89% spike, which reversed violently to finish at just +2.91%, punished every participant who bought the frenzy. Infinity Engine's flat positioning through that episode — and through the month-end unwind — preserved capital and kept the strategy's long-term edge firmly intact.

Looking ahead, Infinity Engine remains positioned to capture opportunities while managing risk in the evolving digital asset landscape. The strategy's eight-month track record of consistent outperformance, capital preservation, and disciplined risk management — now validated through both extreme stress and speculative euphoria — provides confidence in its long-term potential.

Infinity Engine continues to validate its systematic, quantitative approach through eight months of live performance, spanning capitulation, recovery, and speculative frenzy. The strategy's +27.62% YTD return, combined with extraordinary alpha generation versus benchmarks, demonstrates the power of disciplined, rules-based cryptocurrency trading. As markets continue to evolve, the system remains positioned to deliver superior risk-adjusted returns.