

CONFIDENTIAL

# Infinity Engine 1.0

MONTHLY PERFORMANCE REPORT

March 2026

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# 1. Executive Summary

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Infinity Engine 1.0 recorded **-7.10%** in March 2026, as the strategy faced headwinds during a month of significant market divergence. While Bitcoin posted modest gains, altcoins experienced continued weakness.

March 2026 presented a complex market environment characterized by divergent performance across the digital asset spectrum. Bitcoin demonstrated resilience, recovering from February's decline to post positive returns for the month. However, altcoin markets continued to face selling pressure, with the broad altcoin benchmark ending the month in negative territory.

Infinity Engine experienced its first negative month since December 2025, with the strategy declining **-7.10%**. The underperformance relative to Bitcoin resulted in **-8.95% alpha** versus the leading cryptocurrency. However, the strategy maintained outperformance versus the Altcoin Benchmark, generating **+1.99% alpha** in a challenging environment for alternative digital assets.

**-7.10%**

INFINITY ENGINE

**+1.85%**

BITCOIN

**-9.09%**

ALTCOIN INDEX

## 2. Market Overview

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The cryptocurrency market environment in March 2026 exhibited significant divergence between Bitcoin and altcoin performance:

### Bitcoin Recovery

Bitcoin demonstrated notable resilience throughout March, recovering from the February decline to post a gain of **+1.85%** for the month. The asset experienced significant volatility, with intra-month swings creating both challenges and opportunities. Key drivers included renewed institutional interest and macroeconomic factors that favored the leading digital asset.

## Altcoin Continued Weakness

Altcoin markets failed to participate in Bitcoin's recovery, with the broad altcoin benchmark declining **-9.09%** for the month. This continued weakness reflected persistent risk-off sentiment toward higher-beta digital assets, liquidity constraints, and selective capital rotation toward Bitcoin as a relative safe haven within the crypto ecosystem.

## Market Divergence

The divergence between Bitcoin and altcoin performance created a challenging environment for strategies with exposure across the digital asset spectrum. The nearly 11 percentage point gap between Bitcoin's positive return and the Altcoin Index's decline represented one of the most pronounced divergences in recent months.

## Volatility Environment

March was characterized by elevated volatility across all digital assets. Bitcoin experienced significant intra-month swings, while altcoins showed even more pronounced price movements. This volatility environment presented both risks and opportunities for active management strategies.

### Market Environment Assessment

The pronounced divergence between Bitcoin (+1.85%) and altcoins (-9.09%) created a bifurcated market that challenged strategies with diversified crypto exposure. This environment favored Bitcoin-heavy allocations while penalizing broad altcoin exposure.

## 3. Performance Overview

The following tables summarize the performance of Infinity Engine 1.0 relative to key benchmarks for March 2026:

### Absolute Returns

| Asset           | March Return  |
|-----------------|---------------|
| Infinity Engine | <b>-7.10%</b> |

|         |        |
|---------|--------|
| Bitcoin | +1.85% |
|---------|--------|

|               |        |
|---------------|--------|
| Altcoin Index | -9.09% |
|---------------|--------|

## Alpha Generation

| Metric                     | Value  |
|----------------------------|--------|
| Alpha vs Bitcoin           | -8.95% |
| Alpha vs Altcoin Benchmark | +1.99% |

### Performance Context

March marked the first negative month for Infinity Engine since December 2025. While the strategy underperformed Bitcoin, it maintained outperformance versus the Altcoin Benchmark, demonstrating selective exposure management in a bifurcated market.

## 4. Equity Curve Analysis

The daily equity curve for March 2026 illustrates the divergent paths of Infinity Engine, Bitcoin, and the Altcoin Benchmark:

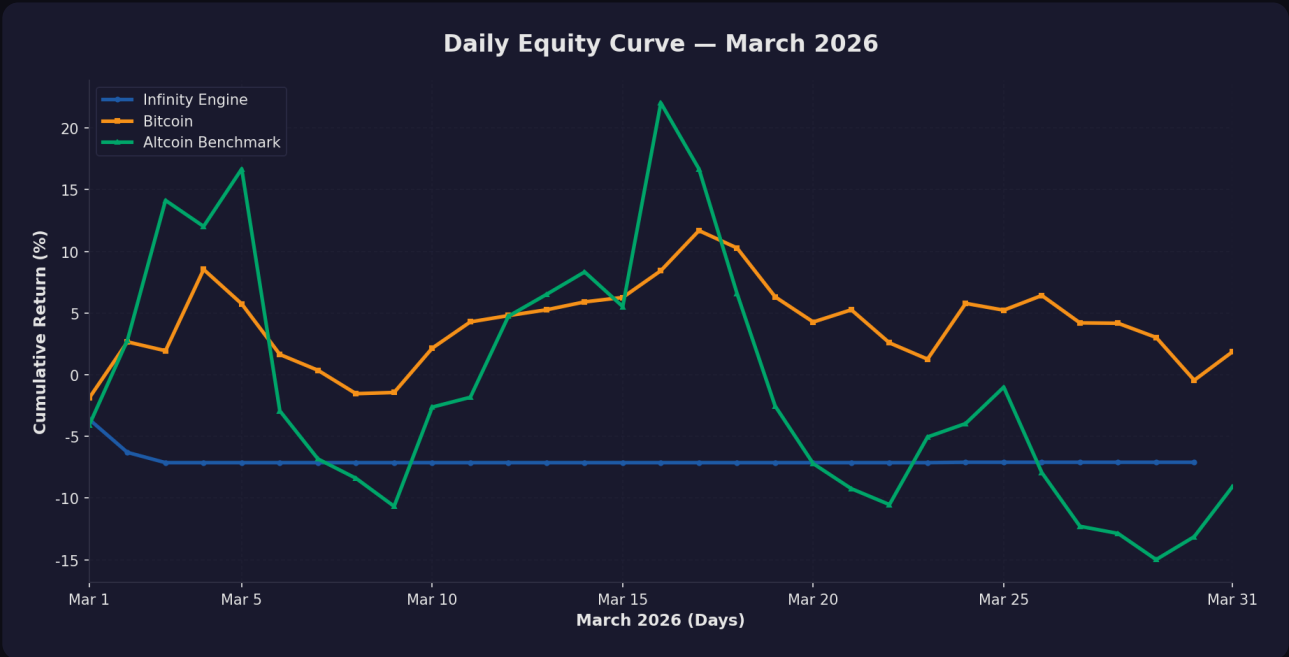


Figure 1 Daily Equity Curve — March 2026. Bitcoin (orange) demonstrates recovery while Infinity Engine (blue) and Altcoin Benchmark (green) face continued pressure.

The equity curve reveals several notable patterns:

- **Infinity Engine** experienced an early-month decline, reaching a low of -7.13% by March 3rd, where it remained flat for an extended period before a slight recovery in the final week.
- **Bitcoin** showed remarkable resilience, rallying from early-month weakness to reach gains exceeding +11% by mid-March before moderating toward month-end.
- **Altcoin Benchmark** exhibited extreme volatility, with brief rallies followed by sustained selling pressure that pushed the index to a -9.09% decline by month-end.

The visual divergence between Bitcoin's recovery trajectory and the continued weakness in Infinity Engine and altcoins underscores the challenging environment for diversified crypto strategies.

## 5. Monthly Performance Context

March 2026 breaks the streak of two consecutive positive months for Infinity Engine, returning to negative territory:

| Month | Infinity Engine Return |
|-------|------------------------|
|-------|------------------------|

|               |         |
|---------------|---------|
| December 2025 | +0.79%  |
| January 2026  | +13.41% |
| February 2026 | +5.62%  |
| March 2026    | -7.10%  |

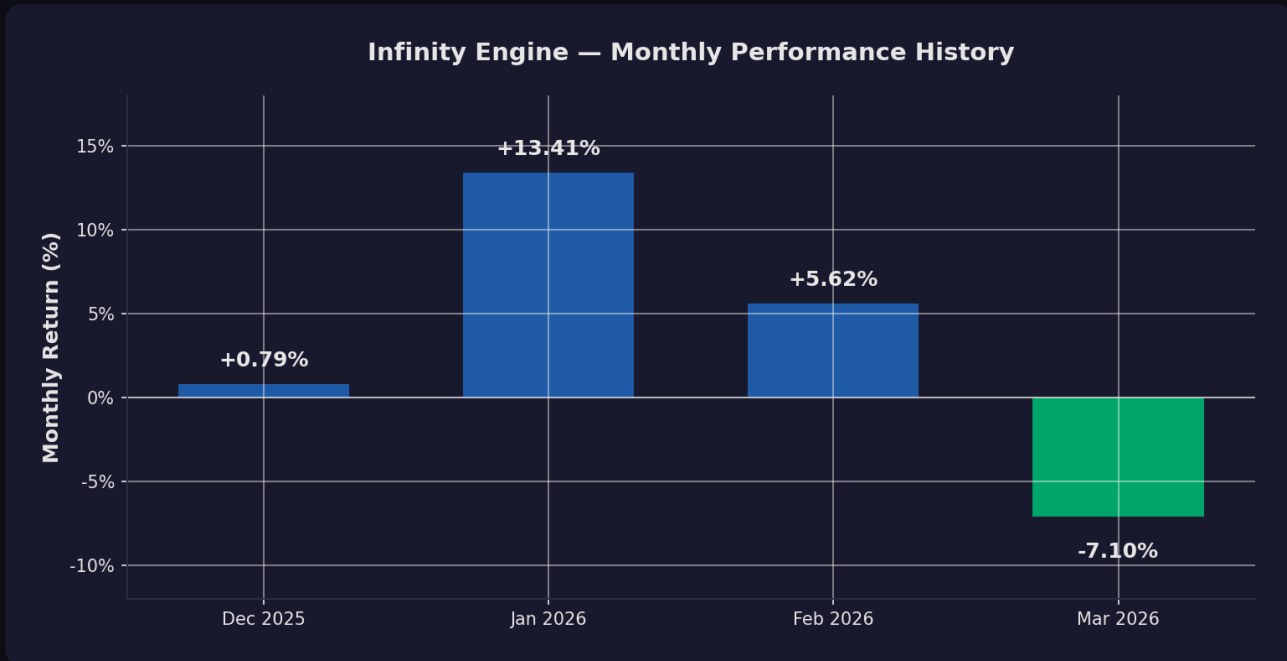


Figure 2 *Infinity Engine — Four-Month Performance History. March 2026 breaks the positive streak with a -7.10% decline.*

### Performance Streak Analysis

March 2026 ended the strategy's streak of two consecutive positive months (January and February). While disappointing, the -7.10% decline represents a contained drawdown that was managed effectively through the extended consolidation period.

## 6. Daily Performance Analysis

A detailed analysis of the daily equity curve reveals distinct phases during March 2026:

### Early March Decline (March 1–3)

The month began with immediate pressure on Infinity Engine, as the strategy declined from -3.63% on March 1st to -6.30% on March 2nd, ultimately reaching -7.13% by March 3rd. This sharp early decline reflected challenging market conditions and positioning that did not align with the emerging market divergence.

### Extended Consolidation (March 4–23)

Following the early decline, Infinity Engine entered an extended period of consolidation at approximately -7.13%. During this three-week period, the strategy's equity curve remained essentially flat despite significant volatility in underlying markets. This stabilization phase prevented further deterioration while Bitcoin rallied and altcoins oscillated.

### Late-Month Slight Recovery (March 24–30)

The final week of March saw a modest improvement in Infinity Engine's performance, with the strategy recovering from -7.13% to -7.10%. While this improvement was marginal, it demonstrated some responsiveness to evolving market conditions and potential signal adjustments.

The strategy's **extended consolidation phase** at -7.13% prevented further drawdown during a period of significant market volatility, demonstrating the risk management framework's effectiveness in limiting losses.

## 7. Capital Comparison

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To illustrate the practical impact of the month's performance, consider a hypothetical **\$10,000 investment** at the beginning of March 2026:

**\$9,290**

INFINITY ENGINE

**\$10,185**

BITCOIN

**\$9,091**

ALTCOIN INDEX

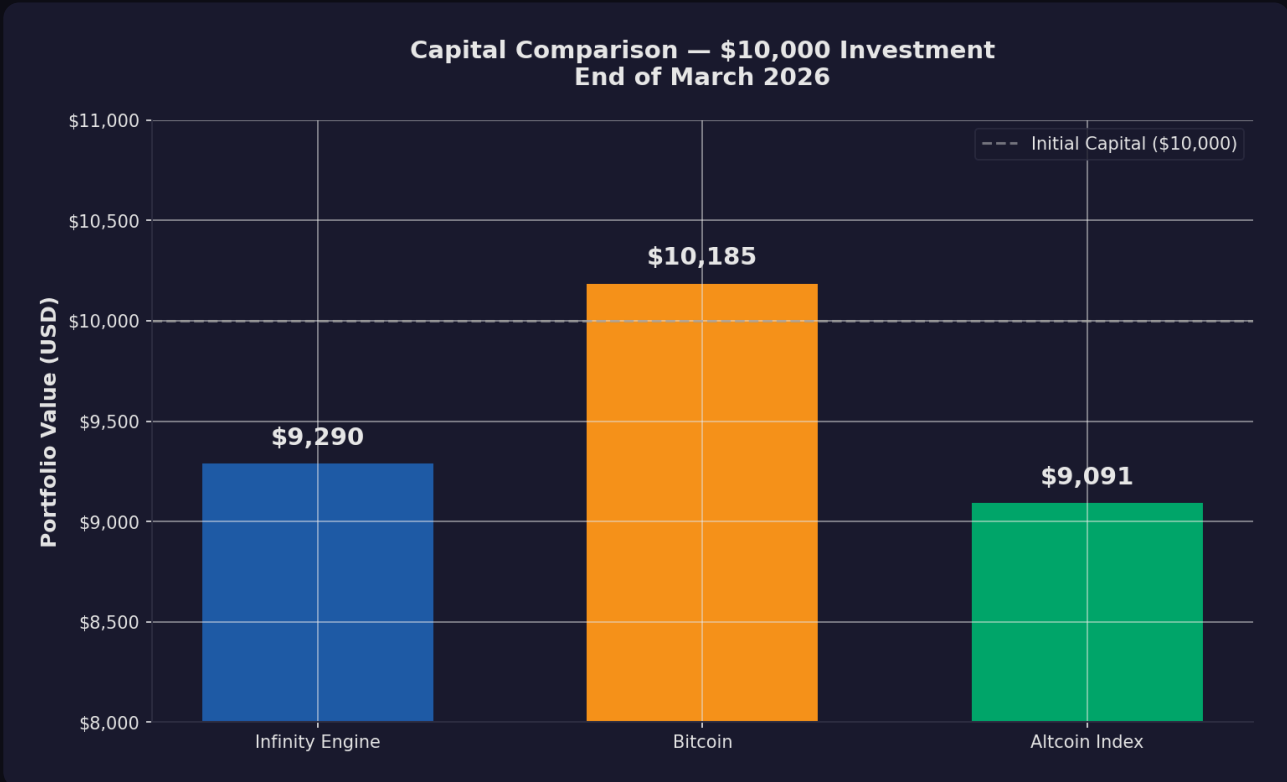


Figure 3 Capital Comparison — \$10,000 Investment at Beginning of March 2026. Bitcoin investors preserved capital while Infinity Engine and altcoin exposure resulted in losses.

The capital comparison highlights the divergent outcomes:

- An investor in **Infinity Engine** would have seen their capital decline to **\$9,290**, representing a loss of \$710.
- The same investment in **Bitcoin** would have grown to **\$10,185**, a gain of \$185.
- Exposure to the **Altcoin Index** would have resulted in a portfolio value of only **\$9,091**, a loss of \$909.

While Infinity Engine underperformed Bitcoin in March, the strategy preserved more capital than the Altcoin Benchmark, demonstrating relative resilience in a challenging environment for diversified crypto exposure.

## 8. Risk Analysis

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

## Drawdown Behavior

Infinity Engine experienced its maximum drawdown of -7.13% early in the month (March 3rd) and maintained this level for an extended period. Notably, the strategy did not experience further deterioration despite continued volatility in underlying markets. This drawdown containment demonstrates effective risk management during a challenging period.

## Volatility Management

The strategy's equity curve exhibited lower volatility during the consolidation phase (March 4–23), with daily changes essentially flat. This reduced volatility during a period of significant market swings suggests effective position management and risk controls that helped prevent further losses.

## Relative Performance Analysis

While absolute performance was negative, Infinity Engine outperformed the Altcoin Benchmark by approximately 2 percentage points. This relative outperformance in a declining altcoin market demonstrates the strategy's ability to navigate sector-specific weakness more effectively than passive exposure.

| Risk Metric      | Infinity Engine | Bitcoin        | Altcoin Index       |
|------------------|-----------------|----------------|---------------------|
| March Return     | -7.10%          | +1.85%         | -9.09%              |
| Maximum Drawdown | -7.13%          | N/A (positive) | >-15% (intra-month) |
| vs Altcoin Alpha | +1.99%          | +10.94%        | —                   |

## 9. Key Insights

The March 2026 performance delivers several important takeaways for investors and stakeholders:

### Challenging Market Divergence

The pronounced divergence between Bitcoin's positive performance and altcoin weakness created a difficult environment for strategies with diversified crypto exposure.

Infinity Engine's underperformance versus Bitcoin reflects this challenging market structure.

### Drawdown Containment

Despite negative absolute performance, the strategy demonstrated effective drawdown containment. The maximum loss was capped at -7.13%, with no further deterioration during an extended consolidation period.

### Altcoin Outperformance

Infinity Engine outperformed the Altcoin Benchmark by approximately 2 percentage points, demonstrating the strategy's ability to navigate sector weakness more effectively than passive altcoin exposure.

### Strategy Adaptation

The extended flat period in the equity curve suggests the strategy's signals may have been adapting to evolving market conditions. The slight recovery in the final week indicates potential responsiveness to changing dynamics.

## 10. Conclusion

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### Period of Adjustment

March 2026 represented a challenging month for Infinity Engine as the strategy navigated a bifurcated market environment. While the negative return is disappointing, the drawdown containment and relative outperformance versus altcoins demonstrate continued risk management discipline.

The month of March presented a rigorous test for cryptocurrency strategies, with Bitcoin recovering while altcoins continued to decline. This divergence created a challenging environment for diversified approaches, and Infinity Engine's -7.10% return reflects these headwinds.

Importantly, the strategy demonstrated effective risk management throughout the period. The maximum loss was contained at -7.13%, with no further deterioration during an extended three-week consolidation period. This drawdown containment represents the effectiveness of the strategy's risk management framework.

Looking ahead, the divergence between Bitcoin and altcoins may present both challenges and opportunities. Infinity Engine's systematic approach is designed to adapt to evolving market conditions, and the signals' responsiveness to the changing environment will be critical in the months ahead.

**Infinity Engine remains committed to its systematic, quantitative approach** and will continue to adapt to market conditions. While March was a challenging month, the strategy's risk management discipline and relative resilience versus altcoin benchmarks demonstrate the continued validity of the underlying methodology.

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