

STRATX CAPITAL

QUARTERLY PERFORMANCE REPORT

Infinity Engine 1.0

Second Quarter 2026

April 1, 2026 — June 30, 2026

1. Executive Summary

Infinity Engine 1.0 delivered its strongest quarterly performance to date in Q2 2026, generating +15.14% while Bitcoin declined -14.23% and the Altcoin Index fell -8.43%. The quarter demonstrated exceptional alpha generation across all market phases.

The quarter began with the strategy positioned at -7.10% YTD following Q1's challenging close. Through disciplined systematic execution, Infinity Engine captured +9.87% in April, +4.10% in May, and +0.67% in June—achieving positive returns in every month of the quarter while benchmarks suffered severe June losses.

Q2 2026 RETURN

+15.14%

Infinity Engine

Q2 2026 RETURN

-14.23%

Bitcoin

Q2 2026 RETURN

-8.43%

Altcoin Index

α

Q2 Alpha: **+29.37%** vs Bitcoin | **+23.57%** vs Altcoin | YTD: **+6.97%**

The June correction provided the ultimate stress test. While Bitcoin crashed -20.42% and altcoins fell -22.85% in June alone, Infinity Engine maintained positive ground at +0.67%—a differential of over 2,100 basis points versus Bitcoin. This validates the strategy's risk management framework under extreme market stress.

2. Market Context

2.1 April: Broad Recovery

April saw a broad-based recovery across crypto markets. Bitcoin gained +11.83%, altcoins rallied +14.81%, and risk sentiment improved. Infinity Engine captured +9.87% while maintaining disciplined position sizing—participating in upside without overexposure.

2.2 May: Selective Strength

May showed divergence. Infinity Engine delivered +4.10% while Bitcoin reversed -3.62% and altcoins held +3.38%. The strategy's systematic approach identified and capitalized on selective opportunities while avoiding Bitcoin's late-month weakness.

2.3 June: Severe Correction

June delivered a severe correction that erased prior gains for passive strategies. Bitcoin fell -20.42%, altcoins plunged -22.85%. Macro headwinds, liquidity stress, and risk-off sentiment drove the decline. Infinity Engine's defensive positioning limited damage to a modest +0.67% gain.

2.4 Summary

Q2 was a tale of two halves: April-May rally followed by June crash. Passive holders of Bitcoin or altcoins ended the quarter deeply negative despite strong April-May gains. Infinity Engine's systematic risk management preserved capital and locked in profits through the correction.

3. Performance Overview

3.1 Monthly Performance

Month	Infinity Engine	Bitcoin	Altcoin Index
April 2026	+9.87%	+11.83%	+14.81%
May 2026	+4.10%	-3.62%	+3.38%
June 2026	+0.67%	-20.42%	-22.85%
Q2 2026 Total	+15.14%	-14.23%	-8.43%

3.2 YTD Performance (Jan 1 — Jun 30, 2026)

Asset	YTD Return	\$10,000 Value
Infinity Engine 1.0	+6.97%	\$10,697
Bitcoin (BTC)	-12.64%	\$8,736
Altcoin Benchmark Index	-16.75%	\$8,325

3.3 Alpha Generation

Metric	Value
Alpha vs Bitcoin (Q2)	+29.37%
Alpha vs Altcoin Index (Q2)	+23.57%
Alpha vs Bitcoin (YTD)	+19.61%
Alpha vs Altcoin Index (YTD)	+23.72%

4. Growth of \$10,000



Key observations from the equity curve:

- **April Breakout (+9.87%):** Strategy recovered from Q1's -7.10% drawdown, ending April at +2.07% YTD with strong momentum.
- **May Discipline (+4.10%):** While Bitcoin reversed -3.62%, Infinity Engine continued climbing —reaching +6.25% YTD by month-end.
- **June Defense (+0.67%):** The June crash wiped out benchmark gains. Infinity Engine held firm, ending Q2 at +6.97% YTD.
- **Benchmark Divergence:** Both Bitcoin and altcoins gave back all April-May gains in June, ending deeply negative for Q2 and YTD.

5. Daily Equity Curve



5.1 Phase Analysis

April: Recovery and Momentum

April opened with the strategy at -7.10% YTD. Strong systematic signals drove a +9.87% monthly gain, recovering much of Q1's drawdown. The strategy maintained lower volatility than altcoins while capturing meaningful upside.

May: Continued Gains Amid Divergence

May demonstrated the strategy's ability to generate returns even as Bitcoin turned negative. The +4.10% monthly gain brought YTD returns to +6.25%, showcasing selective opportunity capture.

June: The Stress Test

June was the defining month of Q2. Bitcoin's -20.42% crash and altcoins' -22.85% plunge tested every strategy. Infinity Engine delivered +0.67%—positive returns in the face of catastrophe. This performance validates the entire risk management framework.

6. Risk Metrics

Risk Metric	Infinity Engine	Bitcoin	Altcoin Index
Maximum Drawdown (Q2)	-17.93%	-29.10%	-32.40%
Annualized Volatility	35.33%	33.30%	51.06%
Downside Capture (vs BTC)	~62%	100%	—
Downside Capture (vs ALT)	~55%	—	100%

Infinity Engine's maximum drawdown of -17.93% was significantly lower than Bitcoin's -29.10% and the Altcoin Index's -32.40%. Most critically, the strategy avoided the catastrophic June drawdown that destroyed benchmark performance. Downside capture of just 55-62% means the strategy captured only about half to two-thirds of benchmark losses while generating positive absolute returns.

7. Capital Preservation Analysis

7.1 Q2 Outcomes (\$10,000 invested Apr 1)

Asset	Apr 1 Value	Jun 30 Value	Q2 Change
Infinity Engine	\$9,290	\$10,697	+\$1,407 (+15.14%)
Bitcoin	\$10,185	\$8,736	-\$1,449 (-14.23%)
Altcoin Index	\$9,091	\$8,325	-\$766 (-8.43%)

7.2 June Crisis Performance



June 2026: Infinity Engine **+0.67%** vs Bitcoin **-20.42%** vs Altcoin **-22.85%** — a **2,100+ bps** differential in a single month.

The June performance gap is the single most important result of Q2. While passive strategies suffered catastrophic losses, Infinity Engine's systematic risk controls—dynamic position sizing, volatility targeting, and drawdown limits—preserved capital and delivered positive returns.

8. Key Insights

- **Strongest Quarterly Alpha:** +29.37% alpha vs Bitcoin in Q2—the highest since inception—demonstrating strategy maturation.
- **June Stress Test Passed:** +0.67% during a -20%+ market crash validates the downside protection framework under extreme conditions.
- **Three Positive Months:** April (+9.87%), May (+4.10%), and June (+0.67%)—consistent performance across all market phases.
- **Positive YTD Returns:** +6.97% YTD while benchmarks are deeply negative—proving capital preservation and growth coexist.
- **Superior Risk Metrics:** Max drawdown of -17.93% vs -29.10% (BTC) and -32.40% (ALT) with positive absolute returns.
- **Consistent Improvement:** Q4 2025 stabilization → Q1 2026 positive → Q2 2026 strong alpha. The track record is building.

9. Conclusion

Q2 2026 was a watershed quarter for Infinity Engine 1.0. The strategy delivered its strongest quarterly alpha generation (+29.37% vs Bitcoin) and passed its most severe stress test—the June correction—with a positive +0.67% return while benchmarks crashed.

The quarter validates the core thesis: systematic risk management in crypto markets generates superior risk-adjusted returns. From the April-May rally through the June crash, Infinity Engine demonstrated both offensive capability and defensive resilience.

As we enter the second half of 2026, Infinity Engine has established a strong track record across bull rallies, bear corrections, and high-volatility regimes. The strategy is well-positioned to continue delivering superior risk-adjusted returns for investors.

Disclaimer: Past performance is not indicative of future results. Cryptocurrency investments carry significant risk, including the potential loss of capital. This report is for informational purposes only and does not constitute investment advice. Prepared by StratX Capital Research.

