AES Insights – Asset-Specific Method Analysis
Solana (SOL)

DESCRIPTION

Solana (SOL) is a performance-oriented Layer-1 blockchain designed for high transaction throughput and low fees. The network aims to enable scalable applications across DeFi, NFTs, payments, and broader Web3 infrastructure, without relying on second-layer solutions.

SOL functions both as a utility token for transaction fees and staking, and as the central settlement asset within the Solana ecosystem.

Key characteristics:

- Very high transaction capacity (high TPS with low latency)
- Low fees, even under elevated network load
- Combination of Proof-of-Stake and Proof-of-History
- Rapidly expanding ecosystem (DeFi, NFTs, payments, gaming)

Within the crypto market, Solana is commonly classified as a performance-driven infrastructure blockchain. Compared with payment-focused or bridge-based assets, SOL exhibits higher relative volatility, accompanied by pronounced trend and correction phases.

MARKET ENVIRONMENT

The fourth quarter of 2025 was characterized by high leverage, fragile liquidity, and abrupt regime shifts across the cryptocurrency market. A central event was the market-wide flash crash around October 10–11, 2025, during which an exceptionally large liquidation wave (exceeding USD 19 billion) occurred; altcoins typically reacted more strongly and more rapidly than the major reference assets.

Following this shock, deleveraging dominated for extended periods: rapid counter-movements emerged, but no stable new trend structure developed. Toward year-end, declining liquidity and position adjustments intensified the effect, allowing short-term price movements to "slip through" more easily without generating a sustained directional bias.

NEWS

The following section serves solely to provide a temporal classification of the market environment and does not constitute a forecast or a call to action.

October 2025

In October 2025, Solana moved into broader focus within the context of institutional products. On October 28, the first pure spot Solana ETF was launched and began trading on NYSE Arca under a specific regulatory exemption. This product marked a milestone in the integration of cryptocurrencies into regulated investment vehicles and drew visible market attention to Solana as a liquid, exchange-listed instrument.

November 2025

In November, news flow was dominated by developments pointing to both market structure and institutional activity. The spot Solana ETF initiative recorded notable inflows during its initial weeks, which were interpreted as a sign of growing, structured interest. At the same time, broader reporting on institutional participation remained subdued, while on-chain activity and network metrics were repeatedly discussed without highlighting new, structurally transformative events within the Solana ecosystem.

December 2025

December was shaped by a set of factually relevant events addressing both technological robustness and network activity:

- The Solana Breakpoint 2025 conference in Abu Dhabi was perceived as a central meeting point for developers, market participants, and technology leaders. A wide range of infrastructure and integration topics were discussed and positioned within the broader ecosystem context.
- During this period, the network experienced a large-scale DDoS attack, described as one of the largest of its kind in internet history. Solana withstood the attack without noticeable

performance degradation, demonstrating technical stability and network resilience under real-world stress conditions.

Throughout the remainder of December, coverage remained largely focused on technical aspects and system stability, without new clearly delineated events related to product launches or regulatory changes.

AES Assessment of the News Environment

During the observed period, news items positioned Solana both in an institutional context (ETF launch) and along technological dimensions (Breakpoint discussions, network resilience). These events generated attention and periods of increased volatility, but did not result in a clear or sustained directional shift in the market.

AES Interpretation

News creates amplitude, but not sustainable direction.

PRICE MOVEMENT

Period: 1 October 2025 – 31 December 2025

Throughout Q4 2025, Solana (SOL) exhibited a clearly downward-shifted trading range relative to the higher levels observed in late summer and early autumn. Price action was not linear, but unfolded through impulses and pullbacks, accompanied by sustained volatility and a lack of stable trend persistence (notably in the context of trading well below the September peak).

October 2025

In October, SOL was still trading in significantly higher price regions. By mid to late October, daily price movements were observed in the range of approximately ~180–195 USD (for example, on 21 October, with a reported daily range of 183.73–193.85 USD). Overall, the month was characterized by pullbacks in the broader crypto market. Despite intermittent upward impulses, SOL showed a tendency to lose ground from elevated levels.

November 2025

In November, the trading range shifted markedly lower. Historical daily data show repeated price zones around ~131–143 USD during mid-month (e.g., 15–18 November, with daily highs around ~141–143 USD and lows partly near ~131–139 USD). In the second half of the month, the ~130 USD area increasingly emerged as a frequently referenced support and test zone. The overall pattern remained defined by short-term recoveries that repeatedly transitioned into renewed pullbacks.

December 2025

In December, consolidation continued at lower price levels, while volatility remained pronounced. Toward year-end, historical daily values indicate trading predominantly within a range of approximately ~120–133 USD (e.g., on 31 December, high ~127.23 USD, low ~123.58 USD). Within the month, stronger price swings also occurred, including an intraday range of roughly ~133.9 USD (high) to ~121.4 USD (low) around 19 December.

Summary of Price Development

- October: ~184–194 USD (daily range, exemplified by 21 October)
- November: ~131–143 USD (test zone around ~130 USD)
- December: ~120–133 USD (year-end consolidation)

These ranges represent typical daily highs and lows or reported intraday ranges for each month and serve as a broad classification of the structural price movement within the framework of the AES analysis.

AES Assessment

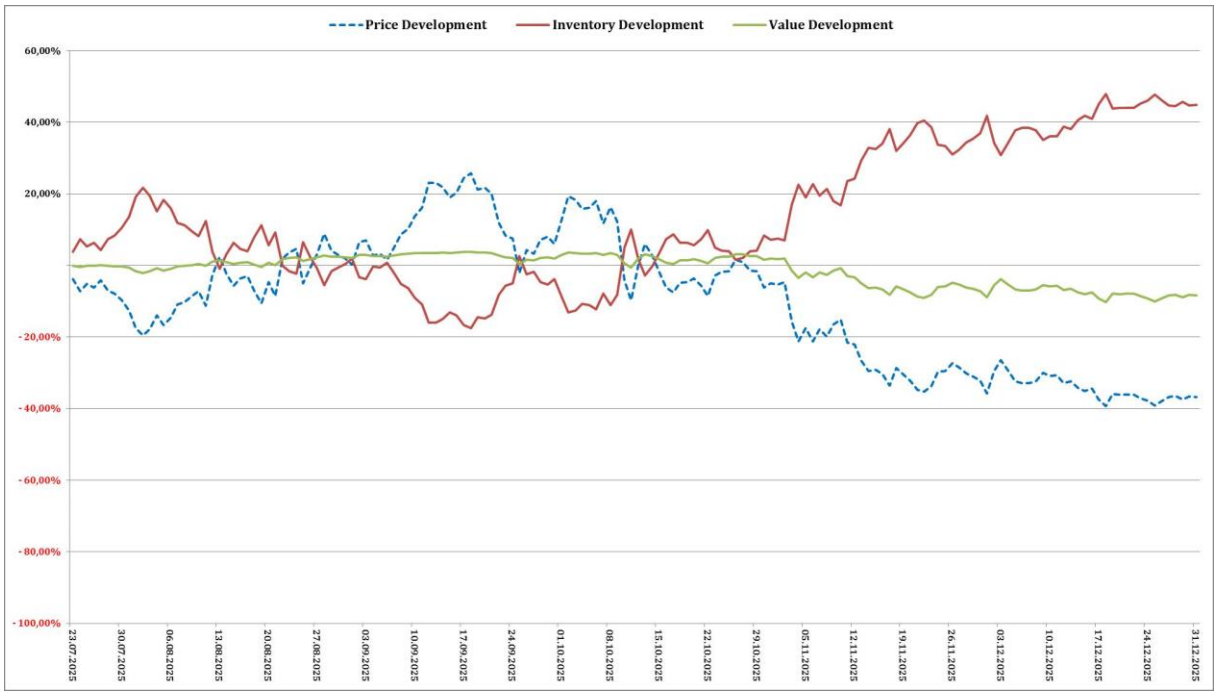
Price movement in SOL from October to December 2025 was characterized by a successive downward relocation of trading ranges alongside elevated volatility. Upward and downward impulses repeatedly neutralized each other; stable trend persistence did not materialize.

AES Finding

The price movement provided fluctuation, not guidance. From an AES perspective, orientation did not arise from the price path itself, but exclusively from the relationship between time, target, and inventory.

AES – CLASSIFICATION OF THE OBSERVED PERIOD

Observation period: 22 July 2025 – 31 December 2025 (trading days, daily evaluation)



Methodological note

The displayed inventory development is based on a rule-based AES process with fixed intervals and predefined position sizes. No retroactive adjustments or optimizations were applied.

Point-in-time comparison of key metrics (AES vs. Buy & Hold)

Date	2025-10-31	2025-11-30	2025-12-31
Period	102 days	132 days	163 days
Price Development	- 5,40%	- 35,68%	- 35,64%
Average Volatility	5,93%	6,22%	6,01%
Inventory Development	7,59%	41,82%	43,54%
Value Development	1,79%	- 8,79%	- 7,62%
Value Development (Buy & Hold)	- 5,40%	- 35,68%	- 35,64%
Relative Value Difference (AES vs. Buy & Hold)	+ 7,18%	+ 26,90%	+ 28,02%

The table compares selected metrics at defined points in time within the same market environment. (Volatility calculated as a rolling daily average.)

This example serves solely as a methodological illustration and does not constitute an assessment of the asset or a statement about future developments.

OBJECTIVE, TIME, AND RETURN WITHIN THE AES FRAMEWORK

Reference framework

- Time horizon: 8 years
- Target return: 12% p.a. net (≈ 16.67% p.a. gross assuming 28% capital gains tax)
- Derived target inventory growth: 9.22%
- Achieved actual inventory growth: 43.54%

This deviation reflects the **methodology**, not the structural quality of the asset.

The following information serves solely to classify progress within the defined target framework.

Starting point: the defined objective

Within the AES framework, target return and time horizon are defined in advance. This definition does not serve to forecast the market, but to structure the process.

The objective does not describe an expected price path, but a desired state at a defined point in time. Return is treated as a reference parameter, not a promise.

Translating the objective into inventory

Within AES, the return objective is not translated into price assumptions, but into a required target inventory.

This target inventory is derived from the current market price and adjusts dynamically. Price remains an external, uncontrollable variable—inventory becomes the primary measurement variable.

In this way, a value-based objective is converted into an inventory-based orientation.

Time as a structuring element

Within AES, time does not function as a source of uncertainty, but as a structuring element.

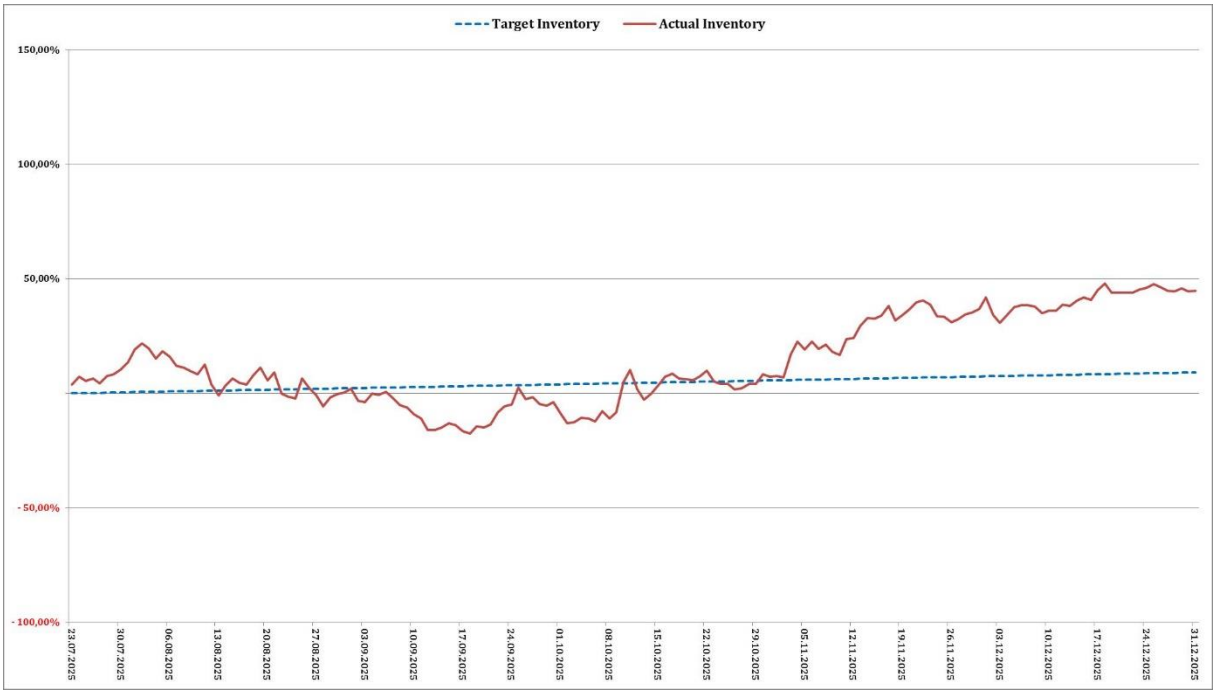
At any point in time, it is possible to determine the inventory required at the current price in order to reach the defined objective within the remaining time horizon.

This can be compared to the actual inventory built. The deviation between target and actual inventory allows for a factual classification:

- ahead of target
- on plan
- behind the target path

Progress is therefore not measured against the market, but against the relationship between objective, time, and inventory.

TARGET AND ACTUAL INVENTORY OVER TIME (AES TARGET PATH)



Impact on decision pressure

Through the continuous comparison of planned and achieved inventory, a calm and verifiable process emerges.

Decisions are not triggered by short-term market movements, but by deviations from the individual target path.

Market movement remains necessary—the emotional reaction to it is structurally reduced.

In this way, calmness and stress reduction emerge without eliminating the productive tension inherent in markets.

CLASSIFICATION

This presentation does not imply any entitlement to returns and does not constitute a forecast of future market developments. It serves solely to provide a methodological classification of progress over time within a rule-based, inventory-oriented process.

BRIEF EXPLANATION OF THE AES METHOD

Within the Alpha Expanse Strategy (AES), no additional capital is allocated to the observed asset. Inventory development arises exclusively through reallocations within the same asset.

These reallocations follow a clearly defined rule set. Reallocation points emerge either from statistical probability assumptions or from actual price movement, without any price forecasting.

The market is neither predicted nor evaluated. Price movements function solely as triggers, not as objectives or expectations.

Volatility is therefore not avoided, but structurally utilized. The effect of the strategy does not result from market timing or external inflows, but from discipline, repetition, and time within a consistent process.

The results shown are based on real trade executions, including all exchange/platform fees and the actual fill prices (CSV order fill exports). No hypothetical data or backtests were used.