AES Insights – Asset-Specific Method Analysis
XRP Ledger (XRP)

DESCRIPTION

XRP is a digital asset originally developed to enable fast and low-cost cross-border value transfers. The focus is not on full decentralization, as with Bitcoin, but on the efficiency of payment processing between financial institutions.

XRP is discussed in the context of payment infrastructure, liquidity management, and bridge currencies. From a technical perspective, the network is designed for high transaction throughput and low fees.

- Key characteristics:
- Very short transaction times
- Low transaction costs
- High circulating supply
- Central role of the issuing organization
- Strong dependence on regulatory perception

Within the crypto market, XRP occupies a special position: it is less a narrative-driven innovation asset and more a functionally oriented transfer and infrastructure asset with a high dependency on news flow and legal developments.

NEWS & MARKET ENVIRONMENT

The following points serve solely to place the market environment in its temporal context and do not constitute a forecast or a call to action.

During the observed period, there were no structurally new or state-changing developments for XRP. Neither on the regulatory, technological, nor operational level did events occur that would have required a fundamental reassessment of the asset. Media coverage was predominantly shaped by repetitions of established narratives, market-related secondary reporting, and assessments.

October 2025

In October 2025, XRP remained positioned between regulatory perception, institutional expectations, and general market volatility within the crypto sector. Media coverage was dominated by familiar themes:

- payment and infrastructure use cases
- legal classifications without new decisions
- technical market observations

The market responded with increased short-term volatility, without establishing a sustained directional move.

November 2025

In November, institutional topics moved more strongly into focus. Reporting addressed:

- financial products and market access related to XRP
- institutional interest and liquidity considerations
- technical reactions to broader crypto market movements

Despite this attention, the informational substance remained limited. Impulses led to price movement, but not to structural change.

December 2025

Toward year-end, activity declined noticeably. Media coverage shifted toward:

- year-end reviews
- contextual assessments of XRP's role within the crypto market
- outlooks and expectations for the following year

Concrete operational or regulatory developments with immediate relevance for XRP did not materialize. Market behavior became increasingly influenced by lower liquidity conditions.

AES Core Finding

The market environment in the fourth quarter of 2025 was low in events but rich in interpretation. News generated short-term movement, but no new structure.

Price reactions reflected expectations, opinions, and market mechanics rather than changes in underlying fundamentals.

PRICE MOVEMENT

Period: 01 October 2025 – 31 December 2025

Overall movement characteristics

During the observed period, XRP exhibited a volatile price movement with multiple directional changes. Over the course of the quarter, the price passed through several price zones, with the trading range gradually shifting from areas near USD 3.0 toward levels below USD 2.0.

The movement was characterized by broad daily fluctuations, overlapping price ranges, and repeated highs and lows without lasting fixation.

October 2025

At the beginning of the period, XRP traded in a higher price zone around approximately USD 2.9 to 3.0. Over the course of the month, the price gradually shifted downward, repeatedly retracing toward the area around USD 2.4 to 2.5.

The movement unfolded within a broad trading range, with several pronounced daily swings to both the upside and downside.

November 2025

In November, the movement continued within a lower price zone. For large parts of the month, XRP fluctuated between approximately USD 2.3–2.4 on the upper side and around USD 2.0–2.1 on the lower side.

Price action formed a sideways band with repeated directional changes, without establishing a sustained shift beyond this range.

December 2025

In December, the trading range shifted further downward. XRP traded predominantly between approximately USD 2.0–2.1 on the upper side and around USD 1.8–1.9 on the lower side.

Price movement remained volatile, but within a narrower range than at the beginning of the quarter.

Summary Description

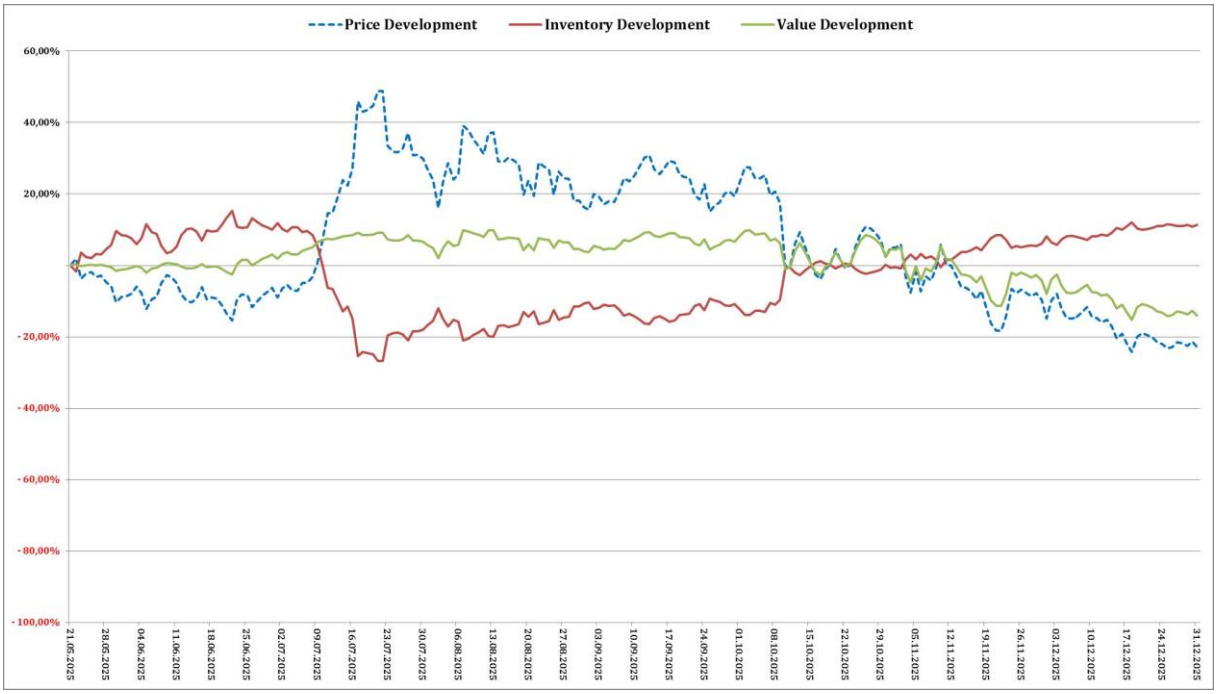
From October to December 2025, the price zone shifted from higher to lower levels, while volatility remained elevated throughout all three months. Monthly trading ranges partially overlapped, without forming a permanently fixed price zone.

Price movement was characterized by fluctuation and repeated zone transitions.

The price action therefore provided volatility rather than orientation. Orientation within the AES framework emerges through time, objectives, and position size.

AES – CLASSIFICATION OF THE OBSERVED PERIOD

Observation period: 21 May 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	164 days	194 days	225 days
Price Development	5,12%	- 9,69%	- 22,90%
Average Volatility	5,11%	5,37%	5,23%
Inventory Development	- 0,63%	6,05%	11,44%
Value Development	4,54%	- 4,16%	- 14,02%
Value Development (Buy & Hold)	5,12%	- 9,69%	- 22,90%
Relative Value Difference (AES vs. Buy & Hold)	- 0,58%	+ 5,53%	+ 8,88%

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: 11.15%
- Achieved actual inventory growth: 11.44%

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.

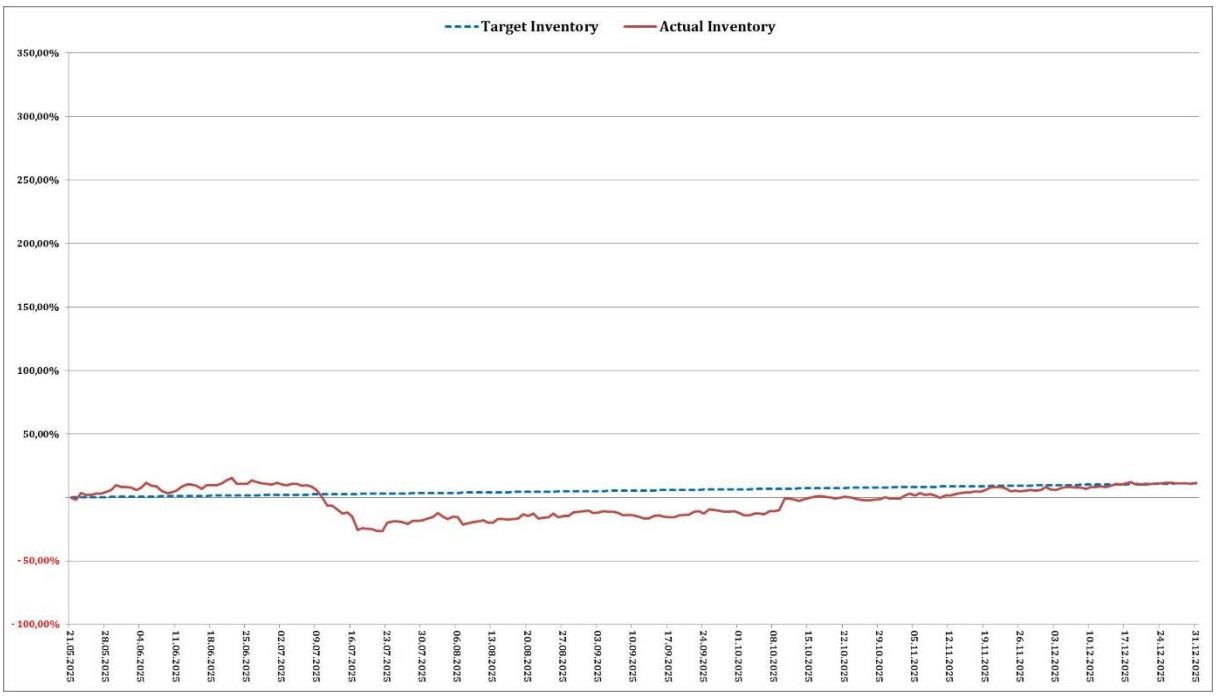
At any point in time, it is possible to determine the inventory required at the current price in order to reach the defined objective within the remaining time horizon.

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.