DIGITAL ASSETS
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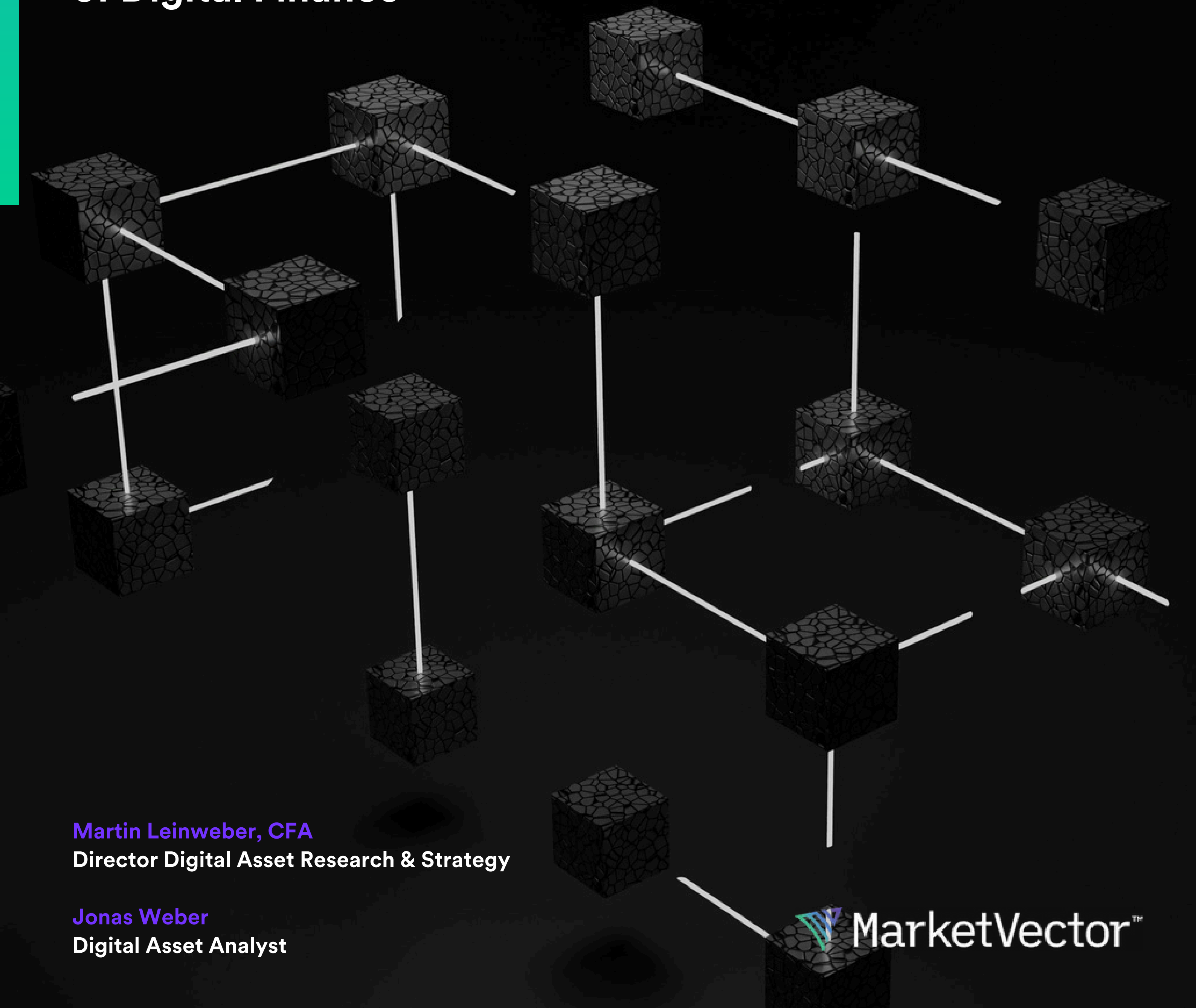
Introducing the the Virtune Stablecoin Index

Investing in the Foundational Infrastructure of Digital Finance



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1. The Stablecoin Revolution: A New Financial Paradigm

Stablecoins represent a foundational evolution in global finance, transcending their origins as a niche crypto asset to become the cornerstone of a new financial system. Their rapid growth in adoption and transaction volume signals a fundamental shift towards programmable, global digital money.

Definition of Stablecoins:

Stablecoins are **digital assets designed to maintain a stable value relative to a reference currency**, typically the U.S. dollar. They achieve this stability through **collateralization mechanisms**—most commonly by holding equivalent fiat reserves, short-term Treasury bills, or other high-quality liquid assets in regulated custodial accounts. Unlike volatile cryptocurrencies, stablecoins combine the **price stability of traditional money** with the **efficiency and programmability of blockchain-based assets**, making them foundational for on-chain payments, settlement, and liquidity management.

This emerging infrastructure is now a mature and formidable rival to traditional payment networks, with transaction volumes nearing 40% of ACH transactions and demonstrating superior efficiency, accessibility, and economics on a global scale[1].

Table 1: Stablecoin Overview

Stablecoin	Current Supply	12 Month Growth	Key Characteristics
USDT (Tether)	$179.05 B	+48.38%	Dominant on Tron, 17th largest US Treasury Holder
USDC (Circle)	$74.27 B	+117.58%	MiCA Compliant, institutional grade reserves
PYUSD (PayPal)	$2.80 B	+485.04%	Multi-Chain via LayerZero, PayPal integration
DAI (MakerDAO)	$4.63 B	+78.5%	Crypto-Collateralized, evolving to Sky Ecosystem

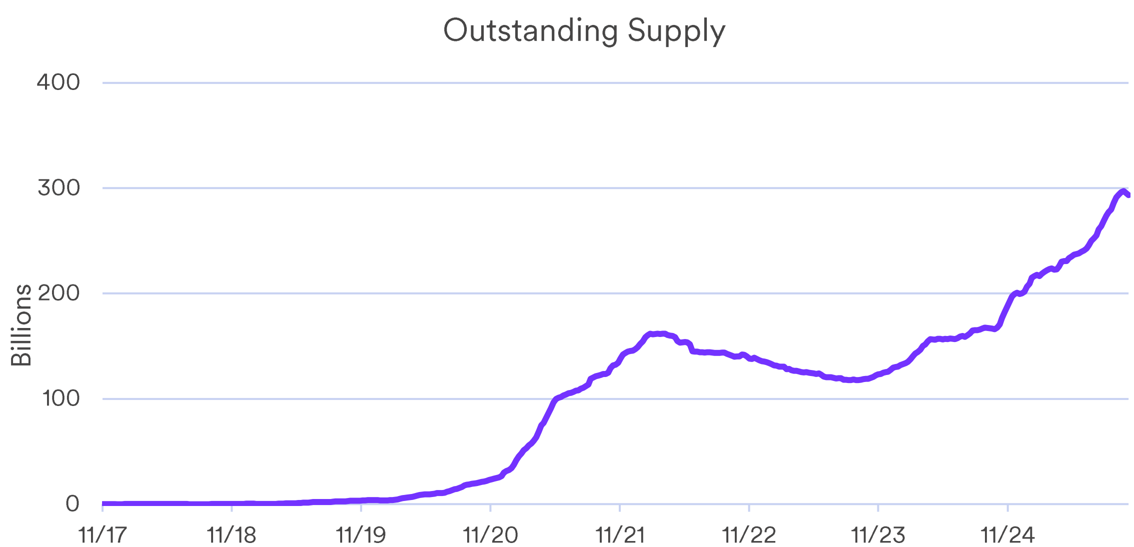
Source: MarketVector, Token Terminal, Messari, as of November 3, 2025

[1] https://cdn.sanity.io/images/2bt0j8lu/production/4f5e1c6b55e315fb90486bd03d285c04d8601961-1600x900.png?w=800

The explosive growth of the stablecoin ecosystem is a clear indicator of its disruptive potential and widespread acceptance. The key metrics underscore the scale of this transformation:

The stablecoin ecosystem now processes **over USD 4 trillion annually**, with **83% year-over-year growth** from July 2024 to July 2025. The **aggregate market capitalization** stands near **USD 312 billion**, with analysts projecting growth to **USD 360 billion by early 2026** and **USD 3.7 trillion by 2030**[2]**.**

Figure 1: Total Stablecoin Supply



Source: MarketVector, Token Terminal, as of November 5, 2025. From November 27 2025 to November 3, 2025.

This disruption is driven by distinct advantages over legacy financial systems. Stablecoins offer a compelling alternative for global payments, remittances, and value storage, particularly in underserved markets.

- **Superior Economics:** Stablecoins operate on infrastructure that enables near-instant, 24/7 settlement with transaction fees often below one cent. This stands in stark contrast to traditional remittances, which incur an average fee of 6.62% and can take days to clear[3].

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[2] https://thedefiant.io/news/markets/stablecoin-market-cap-hits-243-billion-720b-monthly-volume-usdt-usdc-lead-growth-120919ad

[3] https://www.axelar.network/blog/stablecoin-remittances-cross-border-payments-opportunity

- **Emerging Market Adoption:** In regions with monetary instability, stablecoins have become an essential financial tool. An estimated 47% of users in these markets hold digital dollars as a reliable alternative to local banks, creating a trend that Standard Chartered warns could lead to a $1 trillion capital flight from emerging market banks over the next three years[4].

- **Institutional Integration:** The technology has achieved mainstream validation, with major payment processors like Visa, Stripe, and PayPal integrating stablecoins into their core infrastructure. This integration bridges the gap between traditional finance and the digital economy, creating seamless payment rails for millions of users and businesses worldwide.

The success and utility of stablecoins are entirely dependent on the robust technological backbone that enables their function, an essential infrastructure stack that represents the true long-term investment opportunity.

2. The Infrastructure Imperative: Powering the Stablecoin Economy

The underlying technology stack is the strategic center of the stablecoin economy. While individual stablecoins may compete for market dominance, the true, enduring investment opportunity lies in the essential infrastructure—the digital 'picks and shovels'—that supports the entire ecosystem. This foundational layer is responsible for settlement, security, interoperability, and capital efficiency, capturing value from the aggregate growth and network utilization of the digital finance revolution.

This infrastructure is composed of distinct, complementary layers, each performing a critical function:

- **Settlement Layers (L1/L2 Blockchains):** These are the foundational networks where all transactions are securely recorded and finalized. They provide the core security, decentralization, and throughput for the entire ecosystem.

- **Oracle and Cross-Chain Infrastructure:** These services act as the bridge between blockchains and the real world, providing reliable data feeds essential for maintaining stablecoin pegs. They also enable the seamless and secure transfer of assets between different blockchain networks, creating a unified financial system.

- **DeFi Infrastructure:** These protocols provide critical capital efficiency for the ecosystem. Through services like decentralized lending and borrowing, exchanges and stablecoin protocols they give stablecoins utility beyond simple payments, allowing holders to generate yield and institutions to manage capital more effectively.

- **Cross-Border Payment Infrastructure:** These are specialized networks optimized for facilitating fast, low-cost, and compliant international payments and remittances—one of the primary and most powerful use cases for stablecoins.

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[4] https://cryptoslate.com/stablecoins-redefine-financial-access-in-emerging-markets-report-finds/, https://www.dlnews.com/articles/markets/how-stablecoins-threaten-to-drain-banks-in-emerging-markets/

This technology stack has achieved institutional-grade performance and is rapidly gaining regulatory acceptance across the globe. Landmark frameworks such as the European Union's Markets in Crypto-Assets (MiCA) regulation and the United States' GENIUS Act are providing the legal foundation for mainstream adoption, reducing uncertainty and paving the way for institutional capital.

The Virtune Stablecoin Index is a precisely engineered financial instrument designed to provide targeted, diversified exposure to these critical infrastructure layers, allowing investors to participate in the growth of the entire stablecoin economy.

3. Introducing the Virtune Stablecoin Index (STABLEI)

The Virtune Stablecoin Index (STABLEI) is a strategic benchmark designed to offer investors diversified exposure to the essential protocols powering the future of digital finance. Its primary objective is to track the performance of the most critical infrastructure components that enable the security, scalability, and utility of the rapidly growing stablecoin market.

The core investment thesis of the index is to invest in the foundational "picks and shovels" of the digital economy. By targeting the underlying infrastructure, the index is designed to capture value from the overall growth and network utilization of the stablecoin ecosystem. This approach is agnostic to the success of any single stablecoin, instead focusing on the protocols that will benefit from the aggregate increase in transaction volumes, cross-chain activity, and DeFi integration, regardless of which stablecoins ultimately dominate the market.

The following sections detail the index's disciplined methodology, constituent rationale, and key characteristics, providing a comprehensive overview of this unique investment strategy.

4. Index Methodology: A Disciplined Approach to Infrastructure Investing

The construction of the Virtune Stablecoin Index is guided by a rigorous, rules-based methodology designed to select the most critical and institutionally-relevant protocols within the stablecoin infrastructure stack. To ensure the highest standards of quality and relevance, the index leverages the specialized expertise of MarketVector Research in its comprehensive screening and selection process.

4.1 Constituent Selection: The Pillars of the Ecosystem

The index is composed of six constituents, each representing an essential layer of the stablecoin technology stack. The selection is based on a clear analysis of each protocol's specific and complementary role in the broader ecosystem.

Settlement Layers: Ethereum (ETH) and **Solana (SOL)**

These two networks form a strategic pairing of settlement layers, addressing different but complementary market needs. Ethereum serves as the secure settlement layer for high-value institutional capital and complex DeFi, hosting 184 billion in stablecoin supply, which represents 53.67% of the total market. Its mature smart contract infrastructure makes it the preferred choice for institutional-grade applications. **Solana** complements this as the high-performance rail for **high-velocity** payments, handling approximately 50% of all USDC transfers globally. It hosts 15 billion in stablecoin supply with remarkable 284% year-over-year growth, demonstrating its momentum in retail-scale transactions and remittances.

Table 2: Stablecoin Exposure by Network

Network	Total Supply	Market Share (%)	YoY Growth (%)
Ethereum	$184 B	53.7%	44%
Solana	$15 B	4.9%	284%

Source: MarketVector, Token Terminal, as of November 5, 2025

Oracle & Cross-Chain Infrastructure: Chainlink (LINK)

Chainlink provides indispensable infrastructure for the entire ecosystem. Its secure, decentralized oracle networks supply the real-time price feeds essential for maintaining stablecoin pegs and valuing collateral. Furthermore, its Cross-Chain Interoperability Protocol (CCIP) is a critical enabler of a multi-chain future, with associated protocols reducing transfer times from approximately 13 minutes to just 45 seconds and allowing for the secure transfer of stablecoins between different networks.

DeFi Infrastructure: Aave (AAVE)

Aave provides essential capital efficiency to the stablecoin economy. As a leading lending and borrowing protocol, it allows stablecoin holders to generate yield on their assets, creating a compelling use case that is a key driver for institutional adoption. This utility transforms stablecoins from a simple payment mechanism into a productive financial asset.

Cross-Border Payment Infrastructure: XRP and Stellar (XLM)

XRP and Stellar provide specialized infrastructure optimized for facilitating efficient, low-cost international payments and remittances. This addresses one of the largest markets for stablecoin disruption. Both protocols are designed for institutional integration, providing compliant rails to overhaul the cross-border payments industry. The XRP Ledger's native stablecoin, RLUSD, has achieved remarkable growth, reaching $789 million market cap by October 2025 and becoming the 8th largest stablecoin, validating its traction in this key sector.

4.2 Institutional and Regulatory Screening

A non-negotiable focus on regulatory compliance and institutional suitability is a cornerstone of the index methodology. The selection process involves a rigorous screening to ensure that all constituents demonstrate clear regulatory pathways and are supported by institutional-grade custody solutions. This disciplined focus ensures that the index represents a high-quality, investable portfolio suitable for professional investors. This may result in the exclusion of certain protocols that, while exhibiting significant transaction volumes, operate with a higher degree of regulatory uncertainty.

4.3 Index Construction and Maintenance

The index is constructed and maintained according to a clear, transparent, and rules-based process to ensure objectivity and reliability.

Weighting Methodology:

The square root market capitalization weighting in the STABLEI Index strikes a balance between market realism and diversification. By weighting constituents based on the square root of their market caps, the index reduces concentration in dominant assets like Ethereum or Solana while giving meaningful exposure to smaller but vital protocols such as Chainlink and Aave. This approach enhances diversification, and ensures that the index reflects the full spectrum of the stablecoin infrastructure—from large settlement layers to emerging DeFi and cross-chain networks—capturing both stability and growth within the ecosystem

Table 3: Components

Component	Weight
Ethereum	42,11 %
XRP	23,73 %
Solana	18,65 %
Chainlink	6,14 %
Stellar Lumen	5,97 %
Aave	3,41 %

Rebalancing Schedule:

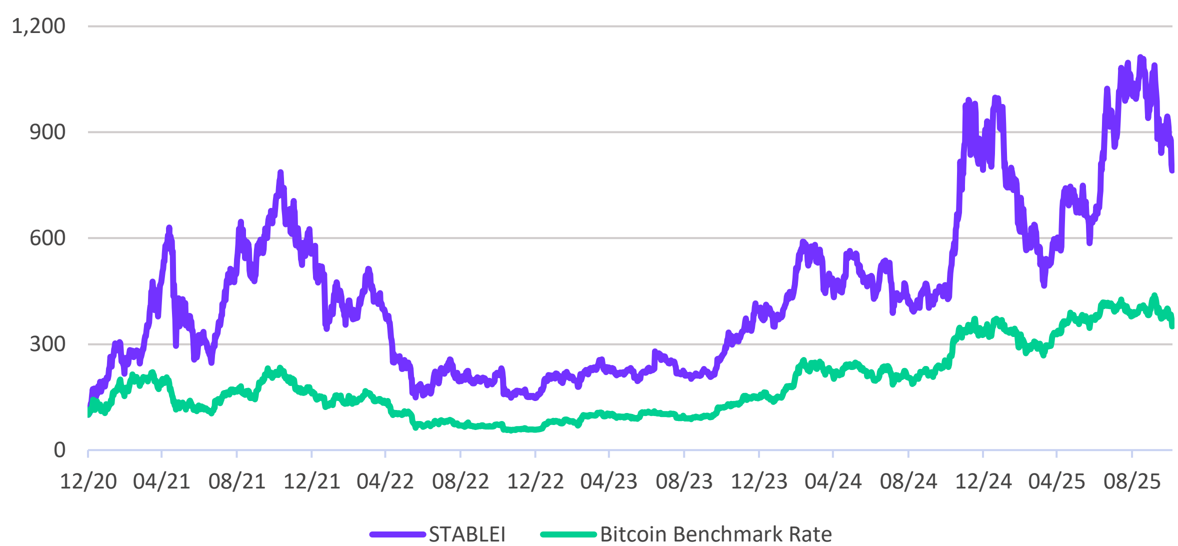
The index is reviewed and rebalanced on a quarterly basis to ensure it accurately reflects the evolving market landscape.

4.4 Index Metrics

Investing in the Foundational Infrastructure of Digital Finance, the STABLEI Index demonstrates the strong performance potential of infrastructure-focused exposure within the stablecoin economy. From inception in December 2020 through late 2025, STABLEI achieved a total return of 691.5% and a compound annual growth rate (CAGR) of 53.24%, far exceeding Bitcoin's 250.3% total return and 29.52% CAGR.

This outperformance highlights the effectiveness of investing in the "picks and shovels" of the digital asset ecosystem—protocols that underpin stablecoin issuance, settlement, and interoperability—rather than the stablecoins themselves. Despite higher volatility (78.12%) and a deeper maximum drawdown (-81.25%), STABLEI maintains superior risk-adjusted metrics, with a Sharpe ratio of 0.89 and a Sortino ratio of 1.28, compared to Bitcoin's 0.66 and 0.98, respectively. The index's resilience and consistent recovery periods reflect the growing maturity and institutional integration of stablecoin infrastructure.

Figure 2: Total Return Comparison



Source: MarketVector. Data as of November 4,2025.

Table 4: Performance Metrics

	STABLEI	Bitcoin (BBR)
Total Return	691.50%	250.30%
CAGR	53.24%	29.52%
Sharpe Ratio	0.89	0.66
Sortino Ratio	1.28	0.98
Max Drawdown	-81.25%	-76.44%
Annualized Volatility	78.12%	59.96%
Longest DD Period	1108	845
Average DD Period	52	61

5. Index Specifications

Parameter	Value
Symbol	STABLEI
ISIN	DE000A4AQK57
Bloomberg Ticker	STABLEI
Launch Date	03 Nov 2025
Base Date	31 Dec 2020
Base Value	100.00
Type	Price Return
Currency	USD
No. of Components	6

6. Conclusion: Capturing the Future of Finance

The stablecoin market represents far more than an incremental improvement; it is a paradigm shift in the fundamental architecture of global finance.

The convergence of regulatory clarity, institutional adoption, and technical superiority has created an inflection point where stablecoins transition from experimental technology to essential financial infrastructure. Major corporations from SpaceX to Western Union are adopting stablecoins for their superior economics and global accessibility, while central banks and regulators are creating frameworks that enable rather than restrict stablecoin adoption.

The Virtune Stablecoin Index (STABLEI) offers the premier instrument for investors to gain strategic exposure to this transformation. By investing directly in the essential, institutional-grade infrastructure that underpins the entire ecosystem, the index is positioned to capture value from the aggregate growth of digital finance, positioning it as the definitive benchmark for the future of money.

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