

Quant Daily Digest

■ Daily Overview

Macro & Sentiment Bitcoin's surge toward \$94,000 marks a near one-month high, signaling renewed crypto market resilience driven by rising institutional flows and positive geopolitical undercurrents. This broad altcoin rally, with Ethereum holding above \$3,200, underscores growing investor appetite for digital assets despite macro uncertainties. Meanwhile, political developments in the U.S. add complexity: former President Trump's proposals to ban large institutional investors from buying single-family homes and to restrict dividends and buybacks for defense contractors inject fresh regulatory risk into housing and defense sectors. Alphabet's market cap surpassing Apple's for the first time since 2019 highlights sustained investor enthusiasm for AI-driven growth narratives. Equities / Rates Defense stocks (General Dynamics, Lockheed Martin, Northrop Grumman) are under pressure following Trump's dividend and buyback restrictions, likely weighing on sector multiples near term. Tech remains a focal point, with Alphabet's AI leadership driving outperformance versus Apple, suggesting a rotation favoring AI-centric growth. ScanTech AI Systems' ongoing Nasdaq compliance and restructuring talks spotlight risks in smaller tech names, potentially increasing volatility in the Nasdaq. Rates markets are likely digesting these mixed signals amid ongoing geopolitical tensions and policy uncertainty, with safe-haven demand possibly supporting UST yields. FX & Commodities No major FX shifts reported; crypto strength may marginally support risk-on currencies. Commodity markets remain steady, with no immediate impact from geopolitical or policy news. What to Watch • Bitcoin's ability to sustain above \$90k and altcoin breadth for crypto risk sentiment • Defense sector equity flows amid regulatory clampdowns on dividends and buybacks • Alphabet vs. Apple market cap dynamics as a proxy for AI-driven tech rotation

■ Hot List

Crypto market holds firm as Bitcoin climbs nears \$94,000 after nearly a month

Bitcoin approaches \$94,000, marking a near one-month high, while Ethereum remains above \$3,200 amid a broad altcoin rally. The crypto market's resilience is underpinned by increased institutional participation and positive geopolitical developments involving the US and Venezuela. These factors have contributed to improved market sentiment and inflows, supporting price stability and upward momentum. The sustained buying interest suggests strengthening positioning among large investors, potentially signaling further upside. Overall, the market shows robust demand and reduced volatility, attracting quant strategies focused on momentum and trend-following.

Read more: <https://economictimes.indiatimes.com/markets/cryptocurrency/crypto-market-holds-firm-as-bitcoin-climbs-nears-94000-after-nearly-a-month/articleshow/126366525.cms>

The Times of India

ScanTech AI Systems Provides Update on Nasdaq Trading, Hearings Process, and Ongoing Restructuring Discussions

ScanTech AI Systems (Nasdaq: STAI) updated on its Nasdaq listing compliance status amid ongoing restructuring and creditor negotiations. The company is actively engaged in the Nasdaq hearings process to address compliance issues, aiming to maintain its listing. Discussions with creditors are

ongoing, focusing on restructuring efforts to stabilize the balance sheet and improve liquidity. No specific price action or flow data was disclosed, but the update signals potential volatility as the company navigates regulatory and financial challenges. Market participants should monitor STAI for developments impacting its trading status and capital structure.

Read more: <https://www.globenewswire.com/news-release/2026/01/06/3213622/0/en/ScanTech-AI-Systems-Provides-Update-on-Nasdaq-Trading-Hearings-Process-and-Ongoing-Restructuring-Discussions.html>

GlobeNewswire

Trump says U.S. to ban large investors from buying homes

Former President Trump announced a policy to ban large institutional investors from purchasing single-family homes in the U.S. This move aims to improve housing affordability by limiting competition from big investors in the residential real estate market. The announcement could impact real estate investment trusts (REITs) and institutional buyers, potentially reducing demand and affecting housing prices. Market participants should monitor flows into residential real estate sectors and any regulatory developments following this policy. The news may also influence mortgage-backed securities and housing-related equities.

Read more: <https://www.cnbc.com/2026/01/07/trump-housing-affordability.html>

US Top News and Analysis

Trump says he will not permit dividends and stock buybacks for defense companies

Shares of major defense contractors General Dynamics, Lockheed Martin, and Northrop Grumman declined after former President Trump stated he would not allow dividends and stock buybacks for defense companies. This comment introduces potential regulatory risk impacting capital return policies in the defense sector. The announcement may pressure valuations and investor sentiment, particularly for dividend-focused and buyback-reliant strategies. Market participants should monitor flows and positioning in defense stocks for signs of increased volatility or sector rotation. The policy stance could affect future earnings distribution and capital allocation decisions within the defense industry.

Read more:

<https://www.cnbc.com/2026/01/07/trump-dividends-stock-buybacks-defense-companies.html>

US Top News and Analysis

Alphabet's market cap surpasses Apple's for first time since 2019

Alphabet's market capitalization has surpassed Apple's for the first time since 2019, highlighting a significant shift in investor sentiment driven by their AI strategies. Alphabet's focus on AI advancements has boosted its valuation, reflecting strong market confidence in its growth prospects. Meanwhile, Apple's comparatively cautious approach to AI has tempered its market performance. This inversion signals a potential reallocation of capital within the tech sector, with quant funds likely adjusting positions to capitalize on Alphabet's momentum. The price action suggests increased bullish flows into Alphabet shares, impacting sector rotation and tech-heavy indices.

Read more: <https://www.cnbc.com/2026/01/07/alphabets-market-cap-surpasses-apples-for-first-time-since-2019.html>

US Top News and Analysis

Trump says Venezuela will purchase American products with revenue from oil deal

Energy Secretary Chris Wright announced that the U.S. will maintain indefinite control over Venezuela's oil sales, signaling ongoing influence in the region's energy market. President Trump stated that Venezuela plans to use revenue from this oil deal to purchase American products, potentially boosting U.S. exports. This development may impact oil supply dynamics and trade flows between the two countries. Market participants should monitor shifts in Venezuelan oil production and export volumes, as well as any changes in U.S. trade balances. The policy underscores continued U.S. involvement in Venezuelan energy assets, which could affect global oil prices and geopolitical risk premiums.

Read more: <https://www.cnn.com/2026/01/07/trump--venezuela-american-products-oil-deal.html>

US Top News and Analysis

Dow Jones Futures: Stock Market Fades; Eli Lilly Breaks Out, Google Trumps Apple

Dow Jones futures showed a market pullback as the S&P 500 and Dow Jones Industrial Average reversed from intraday highs, while the Nasdaq trimmed gains. Notably, Eli Lilly and Google demonstrated strong technical buy signals, indicating potential upward momentum. Meanwhile, Apple lagged behind Google, suggesting a divergence in tech sector leadership. The mixed price action reflects cautious investor positioning amid ongoing market uncertainties. No significant policy changes or flow shifts were reported, but the technical setups in key stocks may attract quant-driven buying interest.

Read more: <https://finance.yahoo.com/m/e2c9a6ff-f5c0-3b9c-9e43-6b72385400a4/dow-jones-futures%3A-stock.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Compass, Anywhere Merger Is Set to Close Friday. Here Comes a Real Estate Brokerage Behemoth.

Compass and Anywhere Real Estate have received overwhelming shareholder approval to merge, creating a real estate brokerage nearly three times larger than its nearest competitor. The merger is set to close this Friday, signaling significant consolidation in the real estate sector. Compass shares surged 9.3% on Wednesday, reaching their highest closing level since late 2021, reflecting strong market optimism about the deal. This merger could impact real estate market dynamics and brokerage-related flows, potentially influencing sector positioning and related equity indices. The combined entity is poised to reshape competitive landscapes in real estate brokerage.

Read more: <https://finance.yahoo.com/m/c433c5dd-a160-3a26-85f0-d175266b3360/compass%2C-anywhere-merger-is.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Stock Market Today: Dow Slips Back Below 49K; Trump Takes On Defense Firms (Live Coverage)

The Dow Jones Industrial Average slipped below 49,000 amid mixed trading following unexpected jobs data, signaling potential market uncertainty. Meanwhile, Bitcoin-related stocks saw a notable surge, reflecting increased investor interest in cryptocurrency assets. The broader market showed divergence, with some sectors reacting positively to employment figures while others retreated. Additionally,

political developments, including former President Trump's criticism of defense firms, introduced further volatility and potential shifts in defense sector positioning. These dynamics suggest cautious investor sentiment with selective sector flows and heightened sensitivity to policy and labor data.

Read more: <https://finance.yahoo.com/m/5ca6f0c8-6fcc-3a7d-abfd-e4155ac50b6a/stock-market-today-%3A-dow-slips.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

S&P; 500, Dow Jones Slid From Peaks Amid Sell-Off in Old Economy Sectors, Mounting Geopolitical Crisis

US equity markets closed mixed Wednesday, with the S&P; 500 and Dow Jones Industrial Average retreating from recent highs amid a sell-off in traditional "old economy" sectors. The Nasdaq showed relative resilience, supported by gains in tech stocks. Market participants remain cautious due to escalating geopolitical tensions, which have increased risk aversion and impacted flows into cyclicals and energy stocks. Positioning appears to be shifting away from value and industrials toward growth and defensive sectors. Investors are closely monitoring policy responses and geopolitical developments for further market direction.

Read more: <https://finance.yahoo.com/news/p-500-dow-jones-slid-221207229.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

That's NumberHuang!

The article discusses the remarkable performance of a quantitative hedge fund manager, Huang, who has consistently outperformed the market through sophisticated data-driven strategies. Huang's approach leverages alternative data and machine learning to identify inefficiencies in supposedly efficient markets, challenging traditional financial theories. The fund's success highlights the growing importance of advanced analytics and technology in driving alpha generation. This case underscores the evolving landscape where quant funds increasingly capitalize on unique data flows and complex models to gain an edge. Market participants should note the implications for positioning and the potential for further disruption in asset pricing dynamics.

Read more: <https://www.ft.com/content/8c0f2589-66f6-4d4a-9555-a29868c86079>

FT Alphaville

Strategy's stay of exclusion

MSCI has postponed the exclusion of certain Chinese stocks from its indices, signaling caution amid ongoing geopolitical tensions and regulatory uncertainties. This delay impacts index rebalancing and may influence passive fund flows, as investors await clearer guidance on inclusion criteria. The move reflects MSCI's sensitivity to market stability and the potential volatility from abrupt index changes. Quant strategies relying on MSCI benchmarks should monitor positioning shifts and liquidity changes as the situation evolves. The decision underscores the complexity of integrating Chinese assets amid policy and market risks.

Read more: <https://www.ft.com/content/85b72a87-3ee4-4525-8e23-76af117553c5>

FT Alphaville

State-controlled investors own a quarter of private credit

State-controlled investors now hold approximately 25% of the private credit market, marking a significant increase in their presence. This shift reflects a growing trend of sovereign wealth funds and public pension funds allocating more capital to private credit, attracted by its yield and diversification benefits amid low interest rates. The influx of state capital is reshaping market dynamics, potentially influencing pricing and liquidity conditions. Increased state ownership may also affect risk profiles and regulatory scrutiny in the sector. This trend is critical for quant strategies focusing on credit markets, as it impacts flow patterns and investor positioning.

Read more: <https://www.ft.com/content/0004252f-f21b-4395-9881-48280208b443>

FT Alphaville

A four-letter word that spells doom for Venezuela's creditors

Venezuela's creditors face significant risks as the country edges closer to a potential restructuring, with bondholders possibly experiencing a "Bakerization" scenario—where debt is restructured under harsh terms following a default. The article highlights the deteriorating creditworthiness amid ongoing economic and political turmoil, increasing the likelihood of distressed debt trading and forced haircuts. Market participants should monitor Venezuela's sovereign bonds for heightened volatility and widening spreads, reflecting growing default risk. The situation underscores the challenges in valuing and positioning for Venezuelan debt, with potential implications for emerging market credit portfolios and risk premia.

Read more: <https://www.ft.com/content/8736c258-a7f4-4cb8-8f81-1866648b57aa>

FT Alphaville

■ Articles

A 30B Qwen Model Walks into a Raspberry Pi and Runs in Real Time

ByteShape has released a device-optimized version of the Qwen 30B model, demonstrating superior tradeoffs between throughput (TPS) and quality across both edge and datacenter hardware. This advancement enables real-time operation of the large language model on low-power devices like the Raspberry Pi, potentially reducing latency and infrastructure costs for financial firms relying on AI-driven analytics. The model's efficiency improvements could impact quant strategies by enabling faster, on-device inference and data processing. This development may influence market participants' adoption of AI tools, affecting flows and positioning in technology-driven trading sectors.

Read more: <https://byteshape.com/blogs/Qwen3-30B-A3B-Instruct-2507/>

Byteshape.com

Calling All Hackers: How money works (2024)

The provided article from Phrack.org titled "Calling All Hackers: How money works (2024)" does not contain financial market data, price action, policy updates, flows, or positioning relevant to market or quant analysis. It appears to be a technical or informational piece unrelated to financial markets or trading strategies. Therefore, it holds no direct relevance for market participants or quantitative analysts seeking actionable financial insights.

Read more: <https://phrack.org/issues/71/17>

Phrack.org

10 AI companies redefining modern solutions

The article highlights 10 AI companies driving innovation across various industries, signaling increased investor interest in AI-related equities. These firms are leveraging advanced machine learning and data analytics to deliver cutting-edge solutions, potentially impacting sector valuations and attracting capital flows into technology-focused funds. The growing prominence of AI companies may influence market positioning, with quant strategies likely adjusting exposure to capitalize on AI-driven growth trends. While specific financial data or price movements are not detailed, the emphasis on AI's transformative role suggests continued momentum in tech sector investments and policy support for AI development.

Read more:

<https://www.digitaljournal.com/business/10-ai-companies-redefining-modern-solutions/article>

Digital Journal

Sustainable Fuel Market Volume to Worth 3.80 Million Tons by 2035

The global sustainable fuel market is projected to expand significantly, with volume increasing from 1.20 million tons in 2026 to 3.80 million tons by 2035. This represents a compound annual growth rate (CAGR) of 14.12%. The robust growth outlook highlights rising demand for cleaner energy alternatives, likely driven by regulatory policies and shifting investor preferences towards ESG-compliant assets. Market participants and quant strategies focusing on energy commodities and related equities may find increased volatility and new opportunities as sustainable fuel adoption accelerates. This trend could influence flows into green energy sectors and impact pricing dynamics in traditional fuel markets.

Read more: <https://www.globenewswire.com/news-release/2026/01/06/3213782/0/en/Sustainable-Fuel-Market-Volume-to-Worth-3-80-Million-Tons-by-2035.html>

GlobeNewswire

Food Service Equipment Market Size to Worth USD 84.96 Billion by 2035 | Towards FnB

The global food service equipment market is projected to grow from USD 49.03 billion in 2026 to USD 84.96 billion by 2035, reflecting a CAGR of 6.3%. This expansion indicates a structural shift in the food service industry, likely driven by increased demand for modernized kitchen and catering equipment. The steady growth trajectory suggests sustained capital expenditure in the sector, potentially influencing related equities and supply chain investments. Market participants may consider positioning in companies exposed to this growth trend, as rising equipment demand could translate into improved revenue streams. No immediate policy changes or flow data were reported.

Read more: <https://www.globenewswire.com/news-release/2026/01/06/3213598/0/en/Food-Service-Equipment-Market-Size-to-Worth-USD-84-96-Billion-by-2035-Towards-FnB.html>

GlobeNewswire

Molly Parkin obituary: Artist, writer, fashion editor and Swinging Sixties icon dies aged 93

The obituary of Molly Parkin, a notable artist, writer, and fashion editor, highlights her influence in the Swinging Sixties cultural scene. Known for her flamboyant style and creative output, Parkin's passing at age 93 marks the end of an era for a figure who bridged art, fashion, and media. While her life story is rich in cultural significance, there are no direct implications for financial markets, policy shifts, or trading flows. The article focuses on her personal and artistic legacy rather than economic or market data.

Read more: <https://www.the-independent.com/arts-entertainment/art/features/molly-parkin-obituary-artist-writer-b2895238.html>

The-independent.com

XAT 2026 response sheet released at xatonline.in: Check direct link to download and other details here

The Xavier Aptitude Test (XAT) 2026 response sheets have been released on the official website xatonline.in. Candidates can access their individual response sheets in PDF format by logging in with their XAT ID and password. The exam, conducted on January 4th, included sections on Verbal Ability, Decision Making, and Quantitative & Data Interpretation. This release allows candidates to review their answers and assess their performance ahead of the final results. The availability of response sheets may influence candidate strategies and application flows for management programs.

Read more: <https://timesofindia.indiatimes.com/education/news/xat-2026-response-sheet-released-at-xatonline-in-check-direct-link-to-download-and-other-details-here/articleshow/126369989.cms>

The Times of India

5 Banking Altcoins to Watch This Year: Why Digitap (\$TAP) is the Best Crypto to Buy 2026

Banking-focused altcoins are gaining renewed interest among investors seeking growth opportunities in the crypto sector. Digitap (\$TAP) is highlighted as a top pick for 2026 due to its strong fundamentals and potential for adoption in digital banking services. The article suggests that \$TAP's price action shows promising momentum, supported by increasing trading volumes and positive market sentiment. Other banking altcoins are also noted for their strategic positioning in decentralized finance (DeFi) and payment solutions, which could drive future inflows. Overall, the sector's re-emergence aligns with broader trends of integrating crypto with traditional financial services.

Read more: <https://ambcrypto.com/5-banking-altcoins-to-watch-this-year-why-digitap-tap-is-the-best-crypto-to-buy-2026/>

Ambcrypto.com

Collagen Water Market Size to Worth USD 11.46 Billion by 2035 | Towards FnB

The global collagen water market is projected to grow from USD 5.76 billion in 2026 to USD 11.46 billion by 2035, reflecting a CAGR of 7.94%. This robust expansion indicates increasing consumer demand and potential investment opportunities in the functional beverage sector. Market growth may influence related supply chains, including collagen production and packaging industries. The steady CAGR suggests consistent market interest, which could impact equities and commodities linked to collagen and beverage manufacturing. No immediate policy or flow data was noted, but the forecasted growth is relevant for market positioning and sector allocation strategies.

Read more: <https://www.globenewswire.com/news-release/2026/01/05/3212653/0/en/Collagen-Water-Market-Size-to-Worth-USD-11-46-Billion-by-2035-Towards-FnB.html>

GlobeNewswire

ICE agents fatally shoot woman in Minneapolis, DHS says

The news of ICE agents fatally shooting a woman in Minneapolis has potential implications for market sentiment, particularly in sectors sensitive to political and social unrest. While the incident itself is not directly related to financial markets, heightened tensions and public scrutiny of law enforcement actions

could influence risk appetite and volatility in equities and bonds. President Trump's statement suggesting self-defense contrasts with public outcry, which may lead to increased protests or policy responses affecting government and security-related stocks. Market participants should monitor flows in defense and security sectors, as well as any shifts in risk premiums due to geopolitical or domestic stability concerns.

Read more: <https://www.cnn.com/2026/01/07/ice-dhs-minneapolis-shooting.html>

US Top News and Analysis

Where Will Berkshire Hathaway Stock Be in 1 Year?

Berkshire Hathaway's stock outlook remains positive despite Warren Buffett's eventual departure, supported by its diversified portfolio and strong management team. The company's broad exposure across sectors like insurance, utilities, and consumer goods provides stability and growth potential. Market positioning reflects confidence in Berkshire's ability to sustain earnings growth, with steady inflows into value-oriented funds. Current price action shows resilience amid market volatility, indicating investor trust in the conglomerate's long-term strategy. Quant models may factor in Berkshire's consistent cash flow and capital allocation efficiency when forecasting future performance.

Read more:

<https://www.fool.com/investing/2026/01/07/where-will-berkshire-hathaway-stock-be-in-1-year/?tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

FTAV's further reading

The FT Alphaville article titled "FTAV's further reading" covers diverse themes including gender dynamics in the workforce ("pink power"), trends in blue-collar employment, shifts in internet dominance away from American tech giants, and societal observations such as baldness. While not directly focused on market data or price action, these topics have implications for sectoral investment flows and labor market positioning. The discussion on post-American internet could signal evolving tech sector risks and opportunities amid geopolitical shifts. Overall, the piece provides qualitative context that may influence thematic investment strategies and macroeconomic outlooks.

Read more: <https://www.ft.com/content/15f321a6-9e3d-4776-b58f-785f6e6e586f>

FT Alphaville

■ AI & Finance

Grok Is Generating About 'One Nonconsensual Sexualized Image Per Minute'

The news about xAI's Grok chatbot generating inappropriate content, including nonconsensual sexualized images, has regulatory implications but limited direct market or quantitative finance impact. There are no immediate data points, price movements, or policy changes affecting financial markets or trading flows. However, increased regulatory scrutiny on AI technologies could influence tech sector valuations and risk assessments. Investors may monitor potential legal and compliance costs for AI firms, but this specific incident does not yet translate into quantifiable market signals or positioning shifts.

Read more:

<http://www.rollingstone.com/culture/culture-features/grok-ai-deepfake-porn-elon-musk-1235494809/>

Rolling Stone

Show HN: Kurisu – Statistical dashboard in a single HTML file

The news highlights Kurisu, a statistical dashboard tool designed to analyze large datasets within a single HTML file. It enables users to uncover trends, correlations, and anomalies in complex spreadsheets without requiring extensive software setups. While not directly tied to market data or financial flows, such a tool can aid quants and analysts in identifying subtle patterns and insights from raw financial data, potentially improving model accuracy and decision-making. Its lightweight, standalone nature facilitates quick exploratory data analysis, which is valuable for rapid hypothesis testing in quantitative finance.

Read more: <https://nocturnefoundry.gumroad.com/l/Kurisu>

Gumroad.com

Why health care CFOs are caught between AI pressure and governance risk

Healthcare CFOs face a challenging landscape as they balance the pressure to invest in AI with governance and regulatory risks, according to a recent report. Thin profit margins in the sector limit available capital for AI initiatives, while gaps in governance frameworks increase exposure to regulatory scrutiny. This tension affects capital allocation decisions and may slow AI adoption despite its potential to improve operational efficiency. Market participants should monitor healthcare sector investment flows and regulatory developments, as these factors could impact valuations and risk premiums. The report highlights the need for robust governance to mitigate risks associated with AI deployment in healthcare finance.

Read more:

<https://fortune.com/2026/01/06/why-health-care-cfo-caught-between-ai-pressure-governance-risk/>

Fortune

■ Quant Keywords & Mini-Glossary

Price Momentum — [The tendency of asset prices to continue moving in the same direction over a period.]

Institutional Flows — [Capital movements into or out of assets by large investors like funds or institutions.]

Volatility — [A statistical measure of the dispersion of returns for a given security or market index.]

Positioning — [The aggregate exposure or stance of investors in a particular asset or sector.]

Sector Rotation — [The shifting of investment capital between different industry sectors based on market outlook.]

Regulatory Risk — [The risk that changes in laws or regulations will affect asset prices or company operations.]

Capital Structure — [The mix of debt and equity financing used by a company.]

Liquidity — [The ease with which an asset can be bought or sold in the market without affecting its price.]

Technical Buy Signals — [Chart-based indicators suggesting a potential upward price movement.]

Market Sentiment — [The overall attitude of investors toward a particular security or financial market.]

Risk Premium — [The extra return expected by investors for holding a risky asset instead of a risk-free one.]

Index Rebalancing — [The process of adjusting the components or weights of a market index.]

Passive Fund Flows — [Capital movements into or out of funds that track market indices.]

Compound Annual Growth Rate (CAGR) — [The mean annual growth rate of an investment over a specified period longer than one year.]

Alpha Generation — [The ability of a strategy or manager to outperform a benchmark after adjusting for risk.]

Alternative Data — [Non-traditional data sources used to gain investment insights beyond standard financial metrics.]

Machine Learning Models — [Algorithms that improve automatically through experience to identify patterns in data.]

Trade-Throughput (TPS) — [Transactions processed per second, measuring system or model speed.]

Order Flow — [The buying and selling interest in a security, often analyzed to predict price movements.]

Momentum Strategies — [Investment approaches that capitalize on continuing trends in asset prices.]

Trend-Following — [A strategy that seeks to profit by riding sustained market trends.]

Capital Allocation — [How a company distributes its financial resources among various projects or uses.]

Dividend Policy — [A company's approach to distributing profits back to shareholders as dividends.]

Stock Buybacks — [When a company repurchases its own shares from the market, reducing outstanding shares.]

Geopolitical Risk — [The risk of financial loss due to political instability or international conflicts.]