

Quant Daily Digest

■ Daily Overview

Macro & Sentiment Markets remain cautiously optimistic ahead of a high-profile Trump-Xi phone call, with S&P 500 futures modestly up ~0.15-0.2%. The geopolitical backdrop is mixed: ongoing U.S. government shutdown risks persist amid stalled Senate talks, while Trump's recent UK visit brought a headline-grabbing £31 billion AI investment pledge from Microsoft and OpenAI. However, concerns over the UK's aging power grid temper enthusiasm. Meanwhile, U.S. policy uncertainty lingers with proposed steep H-1B visa fees threatening Big Tech labor costs and potential regulatory scrutiny on autism-linked drug use. Equities / Rates Equity flows show rotation signals: seven mutual funds trimmed exposure in 21 midcap stocks in August, reflecting risk-off positioning in more volatile segments. Conversely, quant-driven strategies targeting undervalued tech "hidden gems" are gaining traction, per recent research highlighting data-driven screening for growth potential. Workday's \$1.1 billion acquisition of Sana underscores ongoing strategic M&A in tech/software. Rates markets remain range-bound, with no major shifts amid cautious risk appetite. FX & Commodities No significant FX moves reported; focus remains on USD-linked geopolitical risks and UK infrastructure concerns. Commodities quiet, though energy markets may watch UK grid capacity as AI investments ramp up power demand. What to Watch • Trump-Xi phone call for trade/diplomatic cues • UK power grid capacity vs. AI investment rollout • U.S. government shutdown negotiations and H-1B visa policy developments

■ Hot List

The Saturday Spread: A Quant Playbook for Tech's Hidden Gems

The article "The Saturday Spread: A Quant Playbook for Tech's Hidden Gems" discusses a quantitative strategy targeting undervalued tech stocks with strong growth potential. It highlights data-driven screening methods focusing on metrics like earnings revisions, price momentum, and volatility to identify promising candidates. The piece emphasizes the importance of spreads in options markets as indicators of market sentiment and potential price moves. It also notes recent shifts in positioning, with increased institutional interest in select mid-cap tech firms. This approach aims to capitalize on inefficiencies and asymmetric risk-reward profiles in the tech sector.

Read more: <https://biztoc.com/x/a7b7befaaba11e41>

Biztoc.com

Tech Pledges From Trump's UK Visit Will Test Strained Power Grid

Microsoft and OpenAI have pledged a combined £31 billion (\$41.8 billion) investment into AI projects in the UK, announced during Trump's recent visit. However, industry experts warn that the UK's aging and strained power grid may challenge the implementation and scalability of these tech initiatives. The significant capital inflow highlights strong market confidence in the UK's AI sector, but infrastructure constraints could impact operational efficiency and future energy demand. This situation underscores potential risks in energy supply that could affect tech sector valuations and investment flows.

Monitoring power grid developments will be crucial for quant strategies focused on UK tech equities.

Read more: <https://financialpost.com/pm/biz/business-pmn/tech-pledges-from-trumps-uk-visit-will-test-strained-power-grid>

Financial Post

7 mutual funds trim their exposure in 21 midcap stocks in August

In August, seven mutual funds collectively reduced their holdings in 21 midcap stocks, signaling a cautious stance amid market uncertainties. This trimming of exposure reflects active portfolio management aimed at risk mitigation or profit booking in the midcap segment. The report by Nuvama Institutional Equities highlights these adjustments but does not specify the exact stocks or the scale of reduction. Such moves may impact midcap liquidity and price action, potentially signaling a shift in fund flows away from midcaps. Market participants should monitor these trends for insights into mutual fund positioning and sector rotation dynamics.

Read more: <https://m.economictimes.com/mf/analysis/7-mutual-funds-trim-their-exposure-in-21-midcap-stocks-in-august/trim-exposure/slideshow/124011682.cms>

Economictimes.com

S&P; Futures Tick Higher With Trump-Xi Call in Focus

September S&P; 500 E-Mini futures (ESU25) are up 0.17%, continuing gains from the previous session. Market participants are closely watching an upcoming phone call between U.S. President Trump and Chinese President Xi, which could influence trade relations and market sentiment. The futures' modest rise follows a recent rally driven by expectations of rate cuts. This price action suggests cautious optimism, with positioning likely reflecting hopes for easing trade tensions and supportive monetary policy. Overall, the market remains sensitive to geopolitical developments and central bank signals.

Read more: <https://www.barchart.com/story/news/34912129/s-p-futures-steady-after-rate-cut-rally-trump-xi-call-in-focus>

Barchart.com

Ozak AI Presale Crosses \$3.3M—Price Prediction Points to Explosive Gains

Ozak AI's (OZ) token presale has surpassed \$3.3 million, currently in its 6th stage with a price of \$0.012 per token. This strong fundraising performance indicates significant investor interest and potential for substantial price appreciation. The progressive pricing stages suggest a structured capital raise, attracting early participants with lower entry points. Market participants should monitor token distribution and subsequent liquidity events, as these could influence short-term price volatility. The project's momentum may drive increased trading volumes and speculative positioning in crypto markets.

Read more: <https://www.globenewswire.com/news-release/2025/09/20/3153504/0/en/Ozak-AI-Presale-Crosses-3-3M-Price-Prediction-Points-to-Explosive-Gains.html>

GlobeNewswire

Schumer presses Trump to negotiate with Democrats as government shutdown deadline nears

Senate negotiations to prevent a U.S. government shutdown have stalled, with recent proposals for temporary funding rejected, increasing the risk of a lapse. Senate Majority Leader Chuck Schumer is urging former President Trump to engage with Democrats to reach a bipartisan agreement before the funding deadline. The uncertainty is likely to impact market sentiment, particularly in Treasury and

equity markets, as investors weigh potential disruptions to government operations. Market positioning may see increased volatility and risk-off flows if a shutdown occurs, affecting short-term Treasury yields and safe-haven demand. The situation remains fluid as the deadline approaches.

Read more: <https://www.cnbc.com/2025/09/21/trump-schumer-government-shutdown-funding-.html>

US Top News and Analysis

Big Tech companies, foreign governments scramble after Trump slaps \$100,000 fee on H-1B visas

The Trump administration's proposal to impose a \$100,000 annual fee on H-1B visas has caused significant concern among Big Tech firms and foreign governments. This policy shift threatens to increase labor costs substantially for companies reliant on skilled foreign workers, potentially disrupting hiring strategies and talent acquisition in the tech sector. Market participants are closely monitoring the potential impact on tech stocks, given the sector's dependence on H-1B visa holders. The move may also influence capital flows and investment decisions as firms reassess operational costs and workforce planning. Overall, this policy introduces new uncertainty into the labor market and tech industry valuations.

Read more: <https://www.cnbc.com/2025/09/20/trump-h-1b-visa-tech-foreign-governments.html>

US Top News and Analysis

Dow Jones Futures Fall With Apple, Nvidia At Key Levels; Take In These Red-Hot Stocks?

Dow Jones futures declined as Apple shares broke out to new highs, signaling strong momentum in tech giants. Nvidia hovered near a critical resistance level, with traders closely watching for a breakout or pullback. Micron Technology's upcoming earnings report is anticipated to influence semiconductor sector flows and broader market sentiment. Despite the futures dip, the overall market remains elevated, presenting investors with a "happy dilemma" of balancing risk and reward amid strong earnings and tech leadership. Positioning appears cautious ahead of key earnings, with focus on tech stocks driving market direction.

Read more: <https://finance.yahoo.com/m/5f47f039-3396-3111-b24a-3b981f1c36ac/dow-jones-futures-fall-with-.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

2 Stocks Down 57% and 77% to Buy Right Now and Hold for the Next Decade

Two stocks have declined sharply, down 57% and 77% from their peak prices, presenting potential long-term buying opportunities despite strong overall market gains. These significant drawdowns suggest deep value plays that may appeal to investors with a decade-long horizon. The broader market, represented by indices like the S&P; 500, Nasdaq, and Dow Jones, continues to perform well, highlighting these stocks as outliers in terms of price action. Such steep declines could reflect sector-specific challenges or company-specific issues, making them relevant for quant strategies focused on mean reversion or value investing. Monitoring flows and positioning in these names could reveal shifts as investors seek undervalued assets.

Read more: <https://www.fool.com/investing/2025/09/21/2-stocks-down-57-and-77-to-buy-right-now-and-hold/?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Why D-Wave Quantum Stock Skyrocketed This Week

D-Wave Quantum's stock surged over 50% this week, driven by multiple bullish catalysts. Key factors included strong quarterly earnings that exceeded analyst expectations, signaling robust revenue growth and improved margins. Additionally, the company announced new strategic partnerships and expanded its quantum computing service offerings, boosting investor confidence in its long-term growth potential. Positive market sentiment around quantum technology advancements also contributed to increased buying flows and short covering. The sharp price action reflects heightened investor interest and repositioning in the quantum computing sector.

Read more: <https://www.fool.com/investing/2025/09/21/why-d-wave-quantum-stock-skyrocketed-this-week/?tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

'This isn't your grandfather's S&P; 500': Wall Street strategists say stocks could keep rising from records

Wall Street strategists suggest the S&P; 500 could continue rising despite current record highs, citing historical trends and market resilience. The index recently hit all-time highs, supported by strong earnings and accommodative monetary policy. Analysts highlight that unlike past cycles, current market dynamics, including robust corporate profits and steady economic growth, may sustain upward momentum. Positioning remains cautiously optimistic, with flows into equities continuing amid low bond yields. However, some caution about potential volatility due to inflation concerns and geopolitical risks. Overall, the market's technical and fundamental backdrop supports further gains in the near term.

Read more: <https://finance.yahoo.com/news/this-isnt-your-grandfathers-sp-500-wall-street-strategists-say-stocks-could-keep-rising-from-records-150045296.html?tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Plunge protection, by Cathie Wood

FT Alphaville analyzes Ark Invest's buffer ETFs, highlighting their role as a form of "plunge protection" by limiting downside risk through built-in buffers. These ETFs use options strategies to cap losses up to a certain threshold, appealing to investors wary of volatility in high-growth tech stocks. The article quantifies the cost and effectiveness of these buffers, noting that while they reduce drawdowns, they also limit upside participation. Ark's approach may influence market positioning by attracting risk-averse flows into tech, potentially stabilizing price action during downturns. This structured risk management could impact volatility and hedging demand in related sectors.

Read more: <https://www.ft.com/content/987d2db0-76fb-4f0f-aaf6-57711595e8b3>

FT Alphaville

Inside the big boom in 'business development companies'

Business Development Companies (BDCs) have experienced a significant boom, driven by increased demand for private credit amid tightening bank lending standards. BDCs, which provide financing to small and mid-sized firms, have seen strong inflows and rising asset bases, benefiting from higher yields compared to traditional fixed income. Their shares have outperformed broader markets, reflecting investor appetite for yield in a low-rate environment. However, concerns about credit quality and regulatory scrutiny remain, as BDCs take on more risk to sustain returns. The sector's growth

highlights shifting credit market dynamics and evolving investor positioning towards alternative credit vehicles.

Read more: <https://www.ft.com/content/98e789dc-6b43-4d43-be5c-88f2dbbed17d>

FT Alphaville

■ Articles

polars-quant 0.3.0

Polars-quant 0.3.0, a new release on Pypi.org, offers a high-performance quant tool built on the Polars data frame library. This version emphasizes speed and efficiency, catering to quantitative analysts and traders who require rapid data processing for market analysis and strategy development. The tool's enhancements likely improve handling of large datasets, crucial for real-time price action monitoring and algorithmic trading. Its adoption could influence quant workflows by enabling faster backtesting and signal generation. While no direct market data or flows are mentioned, the release supports improved quantitative modeling capabilities.

Read more: <https://pypi.org/project/polars-quant/0.3.0/>

Pypi.org

Relationship between diagnostic accuracy and self-confidence among medical students when using Google search: A mixed-method study

The article explores the relationship between diagnostic accuracy and self-confidence among medical students using Google search as a clinical decision support tool. It highlights the increasing importance of proficiency in digital resources amid the growing volume of medical information. The study employs a mixed-method approach to assess how reliance on Google impacts diagnostic decisions and confidence levels. While not directly related to financial markets, the findings underscore the significance of data accuracy and user confidence, concepts relevant to algorithmic decision-making and risk assessment in quantitative finance. No direct market data, price action, or policy implications are discussed.

Read more: <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0332918>

Plos.org

Workday CFO on why \$1.1 billion Sana deal aligns with M&A; strategy

Workday's CFO Zane Rowe highlighted that the \$1.1 billion acquisition of Sana aligns with the company's M&A; strategy, emphasizing the cultural fit as a key driver for anticipated success. The deal reflects Workday's focus on strategic acquisitions that complement its existing business and enhance long-term growth. Market reaction to the announcement may influence Workday's stock positioning, as investors assess the integration potential and financial impact. This acquisition underscores ongoing consolidation trends in the enterprise software sector, with implications for competitive dynamics and valuation multiples.

Read more: <https://fortune.com/2025/09/19/workday-cfo-1-1-billion-sana-deal-aligns-ma-strategy/>

Fortune

Trump says Murdochs are potential TikTok deal partners

Former President Donald Trump indicated that the Murdoch family, along with tech billionaires Larry Ellison and Michael Dell, are potential partners in the ongoing TikTok acquisition discussions. This suggests significant interest from major media and technology investors in the deal, which could influence market sentiment around ByteDance and TikTok-related assets. The involvement of high-profile investors may impact valuation and deal structure, potentially affecting equity flows and positioning in related tech and media stocks. Market participants should monitor developments for shifts in investor interest and potential regulatory implications.

Read more: <https://www.cnbc.com/2025/09/21/trump-tiktok-murdoch-fox-bytedance.html>

US Top News and Analysis

Trump administration reportedly plans to link autism to Tylenol use during pregnancy

The Trump administration is reportedly preparing to link autism spectrum disorder to the use of Tylenol during pregnancy, according to The Washington Post. Federal health officials are also expected to promote leucovorin as a potential treatment for autism. This development could impact pharmaceutical stocks, particularly those related to acetaminophen products and autism treatments. Market participants may watch for regulatory shifts and potential changes in drug demand or litigation risks. The announcement could influence healthcare sector flows and investor positioning in related biotech and pharmaceutical equities.

Read more: <https://www.cnbc.com/2025/09/21/trump-admin-reportedly-set-to-link-autism-to-tylenol-use-in-pregnancy.html>

US Top News and Analysis

'Cheaper is not better': Avoid these 3 mistakes to get the full value of your rewards card, from a credit expert

The article highlights common mistakes consumers make with rewards credit cards, emphasizing that opting for the cheapest card isn't always the best strategy. Brian Kelly, founder of The Points Guy, advises that cards with modest annual fees often provide greater value through enhanced rewards and benefits. Key points include the importance of understanding card perks, optimizing spending categories, and avoiding missed redemption opportunities. The piece underscores that strategic card selection and usage can significantly boost returns, outweighing the cost of annual fees. This insight is relevant for market participants analyzing consumer credit trends and spending behavior.

Read more: <https://www.cnbc.com/2025/09/21/rewards-credit-card-mistakes.html>

US Top News and Analysis

Stock Futures Edge Lower Ahead of New Week

U.S. stock futures edged lower ahead of the new trading week, reflecting cautious investor sentiment. Market participants are focused on the upcoming release of the Bureau of Economic Analysis' personal consumption expenditures (PCE) price index for August, a key inflation gauge influencing Federal Reserve policy. The slight pullback in futures suggests traders are positioning for potential volatility depending on the inflation data outcome. Broader market direction remains sensitive to inflation trends and Fed guidance, with flows likely to adjust based on the PCE reading. This sets the stage for active quant strategies monitoring volatility and inflation-driven sector rotations.

Read more: <https://finance.yahoo.com/m/f1f6754b-bda5-3292-92f3-e6d03afd1296/stock-futures-edge-lower.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Is the 'British firm' at the heart of Britain's AI plans actually British?

The FT Alphaville article questions the true British identity of a key firm central to the UK's AI strategy, highlighting potential discrepancies in its ownership and operational base. While the piece does not directly impact market prices or flows, it raises concerns about national tech sovereignty and the implications for government policy on AI investment and regulation. Such scrutiny could influence investor sentiment and positioning in UK tech stocks or AI-focused funds. The article underscores the importance of transparency in strategic sectors amid growing geopolitical and economic tensions. No immediate market data or price action is reported.

Read more: <https://www.ft.com/content/ed3aad59-b2fd-4e8e-821d-1b663b7412e9>

FT Alphaville

FTAV's Friday charts quiz

FT Alphaville's Friday charts quiz highlights key market data and trends, focusing on recent price action and positioning across various asset classes. The analysis includes notable shifts in equity and bond markets, with attention to central bank policy impacts and flow dynamics. It underscores how quantitative strategies might interpret these movements, emphasizing volatility patterns and liquidity conditions. The quiz serves as a tool for market participants to test their understanding of current financial conditions and the interplay between macroeconomic factors and market behavior.

Read more: <https://www.ft.com/content/f05de357-f337-4654-a93d-c005f6985bb4>

FT Alphaville

FTAV's further reading

FT Alphaville's latest roundup covers diverse sectors including retail (ASDA), technology (LLMs, Huawei, Meta), energy (electricity), and private equity. Key themes include regulatory scrutiny with antitrust developments impacting major tech firms, shifts in electricity markets, and evolving consumer trends in restaurants. The mention of large language models (LLMs) highlights ongoing AI integration influencing market dynamics. Private equity activity and corporate positioning are also noted, suggesting potential shifts in investment flows. Overall, the briefing provides a multi-sector snapshot relevant for market participants tracking policy, technology adoption, and sector-specific flows.

Read more: <https://www.ft.com/content/59e9a2b5-ac79-4266-890b-f22c01ed3c18>

FT Alphaville

■ AI & Finance

Emad Mostaque on the End of Capitalism

The article discusses Emad Mostaque's perspective on AI's transformative impact within the next 1,000 days, suggesting a fundamental disruption to capitalism. While not directly financial market data, the vision implies significant shifts in economic structures, potentially affecting asset valuations, labor markets, and investment flows. Quant strategies may need to adapt to rapid changes in productivity and market dynamics driven by AI advancements. The anticipation of such disruption could influence positioning in tech sectors and related derivatives, as well as central bank policy considerations around

employment and growth. Investors should monitor AI adoption rates as a key macroeconomic indicator. Read more: https://danielmiessler.com/blog/emad-mostaque-on-the-end-of-capitalism?utm_source=rss&utm_medium=feed&utm_campaign=website
Danielmiessler.com

Bravo Flowdex: How This Innovative Platform is Redefining AI Trading – Read Bravo Flowdex Spain Report!

Bravo Flowdex is emerging as a significant player in AI-driven trading for 2025, offering advanced algorithmic strategies that leverage machine learning to optimize trade execution and risk management. The platform reportedly delivers enhanced performance metrics, including improved Sharpe ratios and reduced drawdowns, appealing to quantitative traders seeking data-driven solutions. Its integration of real-time market data and adaptive models allows for dynamic positioning adjustments, potentially improving flow capture and market timing. The Spain report highlights growing adoption among institutional clients, signaling increased liquidity and volume through the platform. This innovation could influence market microstructure by accelerating AI-based trade flows and reshaping execution strategies.

Read more: <https://www.globenewswire.com/news-release/2025/09/20/3153520/0/en/Bravo-Flowdex-How-This-Innovative-Platform-is-Redefining-AI-Trading-Read-Bravo-Flowdex-Spain-Report.html>

GlobeNewswire

Net Rowdex: Why Net Rowdex 2025 Emerges as a Next-Gen AI Trading Platform for Investors – Read France Report!

Net Rowdex 2025 is introduced as a next-generation AI-driven trading platform designed to enhance investor decision-making through automated trading signals and advanced risk management tools. The platform emphasizes secure account setup and transparency in minimum deposit requirements, aiming to attract a broad user base. By leveraging AI, Net Rowdex seeks to provide real-time market insights and optimize trade execution, potentially impacting market flows and positioning for retail and institutional investors. Its launch may influence quant strategies by integrating AI-generated signals into trading models, reflecting growing adoption of AI in financial markets. Market participants should monitor adoption rates and signal accuracy for potential alpha generation.

Read more: <https://www.globenewswire.com/news-release/2025/09/20/3153519/0/en/Net-Rowdex-Why-Net-Rowdex-2025-Emerges-as-a-Next-Gen-AI-Trading-Platform-for-Investors-Read-France-Report.html>

GlobeNewswire

AIMOON – AI-Powered Web3 Agent Platform for Deploying Intelligent Agents

AIMOON has launched an AI-powered platform designed to deploy intelligent agents within the Web3 ecosystem, addressing challenges like information overload and operational complexity. The platform aims to enhance decision-making and automate tasks in rapidly changing decentralized markets. By leveraging AI, AIMOON targets improved efficiency and real-time responsiveness for users navigating volatile Web3 environments. This development could influence market dynamics by enabling faster, data-driven trading and operational strategies. While specific data points or flow impacts are not detailed, the integration of AI in Web3 agent deployment signals a potential shift in market participant behavior and positioning.

Read more: <https://www.globenewswire.com/news-release/2025/09/20/3153509/0/en/AIMOON-AI-Powered-Web3-Agent-Platform-for-Deploying-Intelligent-Agents.html>

GlobeNewswire

■ Quant Keywords & Mini-Glossary

Earnings Revisions — [Updates to analysts' earnings forecasts that can signal changing company prospects.]

Price Momentum — [The tendency of asset prices to continue moving in their current direction.]

Volatility — [A measure of the degree of variation in asset prices over time.]

Options Spreads — [The difference between prices of related options, used to gauge market sentiment and risk.]

Institutional Positioning — [The aggregated holdings and trading stance of large investors in specific assets.]

Liquidity — [The ease with which assets can be bought or sold without affecting their price.]

Fund Flows — [The net movement of money into or out of investment funds.]

Futures Price Action — [The movement of futures contract prices reflecting market expectations.]

Speculative Positioning — [Trader bets that reflect expectations of future price moves, often increasing volatility.]

Short Covering — [Buying back borrowed securities to close short positions, often causing price spikes.]

Drawdown — [The peak-to-trough decline in asset price or portfolio value.]

Mean Reversion — [The tendency of asset prices to return to their historical average over time.]

Risk-Off Flows — [Capital movements away from risky assets toward safer investments during uncertainty.]

Safe-Haven Demand — [Increased buying of low-risk assets during market stress.]

Volatility Patterns — [Trends and changes in price variability over time.]

Hedging Demand — [The need for instruments or strategies to reduce exposure to adverse price moves.]

Buffer ETFs — [Exchange-traded funds designed to limit losses up to a certain threshold using options.]

Sharpe Ratio — [A measure of risk-adjusted return of an investment or strategy.]

Drawdown Reduction — [Strategies or tools aimed at minimizing portfolio losses.]

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

Trade Execution Optimization — [Techniques to improve the timing and pricing of trades to reduce costs and slippage.]

Order Flow Imbalance — [A disparity between buy and sell orders that can predict short-term price moves.]

Realized vs Implied Volatility — [Comparison of actual past volatility to market-expected future volatility.]

Positioning Shifts — [Changes in investor holdings that can signal evolving market trends.]

Capital Raise Stages — [Phases in fundraising with progressive pricing affecting investor entry points and liquidity.]