

Quant Daily Digest

■ Daily Overview

Macro & Sentiment Market sentiment is cautious amid rising concerns over credit quality and geopolitical tensions. The launch of MasterQuant's AI Market Sentiment Engine, designed to track institutional whale shorting activity in real time, underscores growing investor focus on large-scale positioning shifts. Meanwhile, US-China tariff developments continue to weigh on risk appetite, pressuring Bitcoin and contributing to broader volatility as leveraged positions unwind. Credit worries intensified with sharp declines in regional banks and Jefferies shares, reflecting mounting fears of sour loans and potential economic stress. S&P's estimate of \$1.2 trillion in tariff-related costs this year, largely passed to consumers, adds to inflationary pressures and dampens growth outlooks. Equities / Rates Equity markets show bifurcation: select niche stocks uniquely held by single mutual fund schemes have surged up to 140% in FY26, highlighting concentrated alpha pockets amid broader market caution. However, regional bank stocks and financials are underperforming sharply due to credit concerns. Rates markets remain sensitive to central bank policy signals and credit risk, with bond yields reflecting a cautious stance on economic resilience and inflation persistence. FX & Commodities Bitcoin's 2% drop to around \$112K amid tariff-driven selling pressure signals risk-off flows in crypto. Altcoins remain relatively resilient, suggesting differentiated investor behavior within digital assets. Commodity markets are subdued, with tariff-related cost pressures likely to feed through to inflation but no immediate commodity price spikes observed. What to Watch • MasterQuant's AI sentiment engine adoption and its impact on detecting whale shorting trends • Credit quality signals from regional banks and implications for financial sector risk premia • US-China tariff developments and their influence on risk assets and inflation expectations

■ Hot List

MasterQuant Launches AI Market Sentiment Engine to Track Whale Shorting Surge

MasterQuant has introduced its AI Market Sentiment Engine, a real-time analytics tool aimed at monitoring large-scale short selling by institutional investors ("whales"). The platform leverages AI to analyze market data and detect surges in whale short positions, providing traders with actionable insights into market sentiment shifts. This development is particularly relevant for quant strategies focused on short interest and positioning flows, as it offers enhanced visibility into potential downside pressure from major players. The tool's real-time capabilities could improve timing and risk management in volatile markets influenced by large short trades. Market participants may adjust strategies based on detected whale activity to anticipate price movements.

Read more: <https://www.globenewswire.com/news-release/2025/10/15/3167049/0/en/MasterQuant-Launches-AI-Market-Sentiment-Engine-to-Track-Whale-Shorting-Surge.html>

GlobeNewswire

Unique Picks: These 11 stocks held by a single MF scheme rally up to 140% in FY26 so far. Are you invested?

An analysis by ETMarkets identified 197 stocks uniquely held by a single mutual fund scheme as of September 2025. Narrowing down to those with equity mutual fund ownership, 11 stocks stood out,

rallying up to 140% in FY26 so far. This concentration suggests potential alpha opportunities due to less crowded positioning and unique fund flows. The data highlights the importance of monitoring mutual fund portfolio overlaps and unique holdings for market participants seeking differentiated exposure. Price action in these stocks reflects strong selective buying, possibly driven by fund-specific strategies or sector bets. Such insights can inform quant models focusing on fund flow-driven momentum or contrarian signals.

Read more: <https://m.economictimes.com/markets/stocks/news/unique-picks-these-11-stocks-held-by-a-single-mf-scheme-rally-up-to-140-in-fy26-so-far-are-you-invested/portfolio-watch/slideshow/124548526.cms>

Economictimes.com

Bitcoin slips to \$112 K amid rising selling pressure; Altcoins stay resilient

Bitcoin declined about 2% to \$112,698, pressured by increased selling following US-China tariff developments. This pullback reflects a market reset as leveraged positions are unwinding, indicating potential volatility ahead. Meanwhile, altcoins such as Solana and Hyperliquid showed resilience, posting gains despite Bitcoin's dip. The divergence suggests a rotation within crypto assets, with investors possibly reallocating from Bitcoin to select altcoins. Overall, the market is adjusting to macroeconomic news and positioning shifts, signaling cautious sentiment among traders.

Read more: <https://economictimes.indiatimes.com/markets/cryptocurrency/crypto-news/bitcoin-slips-to-112-k-amid-rising-selling-pressure-altcoins-stay-resilient/articleshow/124546699.cms>

The Times of India

Quantum Computing Market Forecast Highlights Rapid Expansion at 41.8% CAGR Reaching \$20.20 Billion by 2030

The quantum computing market is forecasted to grow from \$3.52 billion in 2025 to \$20.20 billion by 2030, representing a compound annual growth rate (CAGR) of 41.8%. This rapid expansion highlights increasing investment and adoption in quantum technologies, which could significantly impact sectors reliant on advanced computing power. Market growth is likely driven by advancements in hardware, software, and quantum algorithms, alongside rising demand for quantum solutions in finance, pharmaceuticals, and logistics. The sizable CAGR suggests strong capital inflows and potential shifts in technology sector positioning. Quantitative strategies may need to monitor quantum computing developments for long-term thematic exposure.

Read more: <https://www.globenewswire.com/news-release/2025/10/15/3167285/0/en/Quantum-Computing-Market-Forecast-Highlights-Rapid-Expansion-at-41-8-CAGR-Reaching-20-20-Billion-by-2030.html>

GlobeNewswire

Regional banks, Jefferies shares tank as concerns about sour loans grow on Wall Street

Shares of regional banks and Jefferies plunged amid growing concerns over rising sour loans, signaling potential credit quality deterioration in their lending portfolios. Market participants are increasingly wary of the impact of economic headwinds on loan performance, prompting sell-offs in bank stocks. The decline reflects heightened risk aversion and repositioning by investors, with flows moving away from regional financials toward safer assets. This shift underscores fears of increased non-performing loans and potential earnings pressure in upcoming quarters. The price action highlights the market's

sensitivity to credit risk amid uncertain economic conditions.

Read more: <https://www.cnbc.com/2025/10/16/regional-banks-and-jefferies-shares-tank-as-concerns-grow-on-wall-street-about-sour-loans.html>

US Top News and Analysis

Tariff costs to companies this year to hit \$1.2 trillion, with consumers taking most of the hit, S&P; says

S&P; estimates that tariff-related costs for companies will reach \$1.2 trillion this year, a figure likely conservative. The analysis highlights that consumers will bear the majority of these expenses through higher prices. This significant tariff burden could impact corporate earnings and consumer spending patterns, potentially influencing equity valuations and sector performance. Market participants should monitor tariff developments and related policy changes, as they may drive volatility and affect supply chain dynamics. The data underscores the importance of incorporating tariff risk into quantitative models and portfolio positioning strategies.

Read more: <https://www.cnbc.com/2025/10/16/tariff-costs-to-companies-this-year-to-hit-1point2-trillion-with-consumers-taking-most-of-the-hit-sp-says.html>

US Top News and Analysis

U.S. budget deficit edged lower in 2025 as tariffs, debt payments both saw new records

The U.S. federal budget deficit for fiscal year 2025 narrowed to \$1.78 trillion, down \$41 billion or 2.2% from 2024. Despite the reduction, both tariff revenues and debt servicing costs hit record highs, reflecting ongoing fiscal pressures. The deficit contraction suggests modest improvement in government finances, potentially influencing Treasury issuance and bond market dynamics. Elevated debt payments could pressure future budget allocations and impact interest rate expectations. Market participants should monitor these trends for implications on U.S. sovereign debt supply and fiscal policy outlook.

Read more: <https://www.cnbc.com/2025/10/16/us-budget-deficit-lower-in-2025-tariffs-debt-payments-both-at-records.html>

US Top News and Analysis

Dow Jones Futures: Stock Market Falls On Bank Fears, Oracle Slips Late. What To Do Now.

U.S. stock futures declined Thursday amid renewed fears surrounding regional banks, triggering a broader market sell-off. Key financials, including Interactive Brokers, experienced notable late-session drops, reflecting investor concerns over banking sector stability. Oracle shares also slipped, contributing to the downward pressure on the Nasdaq. The sell-off suggests cautious positioning ahead of upcoming earnings and economic data, with investors wary of potential contagion risks in regional banks. Market participants are likely adjusting exposure to financial stocks and seeking safer assets amid heightened uncertainty. Overall, the market's risk sentiment turned negative, impacting futures and equity flows.

Read more: <https://finance.yahoo.com/m/9d464e37-54d5-3857-b35e-1dbdc1cbd92c/dow-jones-futures-%3A-stock.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Wall Street ends down; Zions sparks worries about regional banks

Wall Street closed lower Thursday, with the Dow and S&P 500 down about 0.66% and the Nasdaq falling nearly 0.5%. Regional bank concerns weighed heavily after Zions Bancorporation's shares plunged 13% due to unexpected loan losses in California, while Western Alliance dropped nearly 11% following a fraud lawsuit announcement. These developments heightened fears of broader credit issues in commercial lending, following recent defaults by First Brands and Tricolor. Market participants are increasingly wary of rising credit losses in bank loan portfolios. Notable movers included Hewlett Packard Enterprise (-10%) on weak guidance, J.B. Hunt (+22%) on strong Q3 profits, and Marsh & McLennan (-8.5%) on slowing growth.

Read more: <https://finance.yahoo.com/video/wall-street-ends-down-zions-221025517.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Equity Markets Fall Amid Bad Loan Concerns, US-China Tensions

US equity markets declined on Thursday, driven by worries over bad loans impacting regional bank stocks. The S&P 500, Nasdaq, and Dow Jones all experienced downward pressure amid these credit concerns. Additionally, escalating US-China tensions contributed to risk-off sentiment, prompting investors to reduce exposure to equities. Market flows indicated a shift toward safer assets, with increased volatility observed in financial sector shares. Positioning data suggests cautious investor behavior as uncertainties around loan quality and geopolitical risks persist.

Read more: <https://finance.yahoo.com/news/equity-markets-fall-amid-bad-210906453.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Regional bank woes, volatility, bitcoin rubicon: Market Takeaways

US stocks declined on Thursday, with the Dow Jones Industrial Average leading losses amid concerns over fraudulent loans in regional banks. Volatility spiked, reflected in the VIX index, driven by movements in Treasury yields across the 2-, 5-, and 10-year notes (^TYX, ^TNX, ^FVX). This heightened volatility signals increased market uncertainty and risk aversion. Bitcoin price trends also drew attention, suggesting crypto remains a focal point amid traditional market stress. These factors collectively indicate cautious positioning and potential shifts in risk appetite among investors.

Read more:

<https://finance.yahoo.com/video/regional-bank-woes-volatility-bitcoin-210540891.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Heard on the Street Recap: Bank Jitters

Concerns over regional bank stability intensified as the KBW Nasdaq Regional Banking index dropped over 6%, reflecting investor unease. Zions Bancorp disclosed a \$50 million charge-off linked to two loans from borrowers involved in legal issues, signaling credit quality deterioration. Additionally, Western Alliance revealed it filed a fraud lawsuit against a borrower in August, further highlighting credit risks in the sector. These developments pressured banking stocks and raised questions about potential contagion effects on broader financial markets. Market participants are closely monitoring loan performance and legal exposures within regional banks amid tightening credit conditions.

Read more: <https://finance.yahoo.com/m/12f6fa29-00c1-3567-96b1-897be6c87e65/heard-on-the-street-recap%3A.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

What GPU pricing can tell us about how the AI bubble will pop

GPU prices, a critical input for AI development, have surged dramatically, reflecting intense demand driven by AI hype and investment. However, recent data shows a sharp decline in GPU prices, signaling a potential cooling in AI hardware demand. This price drop suggests that the AI investment bubble may be deflating as market participants reassess growth prospects and profitability. The shift in GPU pricing acts as a leading indicator of reduced capital flows into AI startups and infrastructure. Quant strategies tracking hardware costs and related equities could anticipate increased volatility and sector rotation away from AI-centric assets.

Read more: <https://www.ft.com/content/d49707ae-5d6b-473e-9e2b-487d318e6fe9>

FT Alphaville

How Beijing's collateral play can rattle the creditor-borrower balance

Beijing's strategy to manage credit risk through collateral adjustments is impacting the creditor-borrower dynamic in China's banking sector. By tightening collateral requirements, authorities aim to control credit flow and reduce systemic risk, affecting liquidity and lending capacity. This policy shift has led to increased volatility in Chinese bank bonds and credit default swaps, reflecting market concerns over borrower creditworthiness and potential defaults. The move also influences capital allocation and risk premiums, prompting investors to reassess exposure to Chinese financial institutions. These developments highlight the growing importance of collateral management in China's credit markets and its implications for global credit flows.

Read more: <https://www.ft.com/content/b248e496-aad8-463e-944d-c264f41b5859>

FT Alphaville

Mullen's marvellous maths

Mullen Automotive, an EV company facing operational challenges, experienced an extraordinary surge in its share price, peaking at an implausible \$1.4 quintillion per share. This anomaly was driven by a technical glitch related to the company's stock split and share count data, causing erroneous price calculations on certain trading platforms. The incident highlights risks in market data integrity and the potential for distorted price signals impacting quant models and trading algorithms. Despite the company's fundamental struggles, the inflated price briefly influenced market flows and positioning before corrections were made. This event underscores the importance of robust data validation in automated trading environments.

Read more: <https://www.ft.com/content/65c1643c-6f4e-4fa6-befb-b59e0e6294be>

FT Alphaville

■ Articles

Are these local newsletters local news? (And does it matter?)

The article explores the evolving definition of "local newsletters," highlighting a shift from traditional community-specific news to broader content types. It references Aniket Panjwani's database, which categorizes newsletters by their focus and content style, indicating a diversification in local news delivery. This trend may impact market dynamics for local media, influencing advertising flows and subscription models. The piece suggests that understanding these distinctions is crucial for investors and analysts tracking media sector positioning and digital content monetization strategies. However, it lacks direct financial data or immediate market-moving insights.

Read more:

<https://www.niemanlab.org/2025/10/are-these-local-newsletters-local-news-and-does-it-matter/>

Niemanlab.org

The Pragmatic Engineer 2025 Survey: What's in your tech stack? Part 3

The Pragmatic Engineer's 2025 Survey provides a detailed overview of the software engineering tech stack, highlighting prevalent tools and categories used by engineers. This third installment completes the series, offering insights into current technology adoption trends and preferences within the engineering community. While not directly financial, understanding these tech stacks can inform market participants about software development trends, potential investment opportunities in tech companies, and shifts in technology demand. The data may influence quant models that incorporate tech sector momentum or innovation metrics. No direct price action or policy impact is noted.

Read more: <https://newsletter.pragmaticengineer.com/p/the-pragmatic-engineer-2025-survey-part-3>

Pragmaticengineer.com

Tested and Reviewed: DGX Spark, Nvidia's tiniest supercomputer, tackles large models at solid speeds

Nvidia has launched the DGX Spark, a compact AI workstation priced between \$3,000 and \$4,000, targeting efficient handling of large AI models rather than peak speed. Positioned as the "world's smallest AI supercomputer," the DGX Spark aims to balance performance and affordability, making advanced AI capabilities more accessible. This product could influence AI hardware demand trends and impact Nvidia's revenue streams in the AI infrastructure market. Its introduction may also affect competitive positioning among AI hardware providers and inform quant strategies reliant on AI-driven data processing. Market participants should monitor Nvidia's sales and adoption rates for potential flow and positioning shifts.

Read more: https://www.theregister.com/2025/10/14/dgx_spark_review/

Theregister.com

detquantlib 3.10.3

Detquantlib 3.10.3 is a newly released internal library designed to support quantitative models with reusable functions and classes. While not directly impacting market prices or flows, this update may enhance the efficiency and accuracy of quant strategies by providing standardized tools for model development. The library's availability on Pypi.org facilitates easy integration into existing quant workflows, potentially improving model robustness and execution speed. No immediate market or policy implications are noted, but quant teams could leverage this for improved data handling and analytics.

Read more: <https://pypi.org/project/detquantlib/3.10.3/>

Pypi.org

Transcript: Jurrien Timmer, Director of Global Macro at Fidelity Investments

Jurrien Timmer, Director of Global Macro at Fidelity Investments, discussed current market dynamics emphasizing the impact of central bank policies on asset prices. He highlighted how Federal Reserve rate hikes have influenced bond yields and equity valuations, noting increased volatility and shifts in investor positioning. Timmer pointed to data showing cautious flows into risk assets amid inflation concerns and potential policy tightening. He also addressed the importance of monitoring macroeconomic indicators for quant strategies, suggesting that adaptive models are crucial in the evolving environment. The conversation underscored the interplay between policy moves and market reactions, relevant for portfolio allocation and risk management.

Read more: <https://ritholtz.com/2025/10/transcript-jurrien-timmer/>

Ritholtz.com

Bien avant The Last of Us, un autre récit s'aventurait déjà dans l'apocalypse fongique

The article discusses the thematic similarities between "The Last of Us" and "The Girl with All the Gifts," both exploring fungal apocalypse scenarios. While not directly related to financial markets, the piece highlights cultural trends in entertainment that could influence media and gaming sector investments. Understanding such narrative trends may guide content-driven equity flows or thematic investment strategies in entertainment and gaming industries. However, no specific market data, price movements, or policy impacts are mentioned. The focus remains on storytelling and genre evolution rather than quantifiable financial metrics.

Read more: <https://www.begeek.fr/bien-avant-the-last-of-us-un-autre-recit-saventurait-deja-dans-lapocalypse-fongique-422647>

Begeek.fr

Why Building an Artificial Pancreas for People with Diabetes Is So Hard—And How Tech Is Finally Catching Up

The article discusses the challenges and recent technological advancements in developing an artificial pancreas for diabetes management. It highlights the complexity of replicating the pancreas's glucose regulation and the integration of continuous glucose monitors with insulin pumps. Innovations in algorithms and machine learning have improved the accuracy and responsiveness of these systems, potentially transforming diabetes care. Entrepreneurial efforts and patient-driven initiatives are accelerating progress, signaling a shift towards more effective, automated treatment options. These developments could impact healthcare markets, particularly in medical devices and biotech sectors, by driving demand for advanced diabetes management technologies.

Read more: <https://www.scientificamerican.com/article/why-building-an-artificial-pancreas-for-people-with-diabetes-is-so-hard-and/>

Scientific American

John Bolton indicted; ex-national security advisor is latest Trump foe to face criminal charges

John Bolton, former U.S. National Security Advisor, was indicted following an FBI raid on his Maryland home and Washington, D.C. office on August 22. This development marks Bolton as the latest figure associated with former President Trump to face criminal charges. The investigation could heighten political uncertainty, potentially impacting market sentiment and risk assets sensitive to U.S. political stability. Traders may monitor related news for shifts in volatility or safe-haven flows. No immediate

policy changes are indicated, but ongoing legal scrutiny could influence investor positioning in the near term.

Read more: <https://www.cnbc.com/2025/10/16/trump-john-bolton-grand-jury-indictment.html>

US Top News and Analysis

Marc Benioff's call for troops in SF leads tech investor Ron Conway to leave Salesforce Foundation board

Ron Conway, a notable tech investor, resigned from the Salesforce Foundation board after CEO Marc Benioff publicly supported President Trump and called for troops in San Francisco. This development may impact investor sentiment around Salesforce, potentially influencing its stock volatility and positioning among tech sector investors. The political stance by Benioff introduces reputational risk, which could affect institutional flows and market perception of Salesforce's governance. Traders and quants should monitor any shifts in Salesforce's share price and volume, as well as broader tech sector reactions to political controversies involving major industry figures.

Read more: <https://www.cnbc.com/2025/10/16/benioff-sf-troop-comment-lead-ron-conway-resign-salesforce-foundation.html>

US Top News and Analysis

FTAV's further reading

The FT Alphaville article covers diverse topics including China's economic and policy developments, UK market conditions, and corporate updates such as Games Workshop's performance. It highlights data on visitor numbers, noting discrepancies with potential implications for tourism and retail sectors. The piece also touches on agricultural commodity trends, specifically apple markets, which may influence related supply chains and pricing. These insights provide a nuanced view of current market dynamics, relevant for quant strategies focusing on macroeconomic indicators, sectoral shifts, and consumer behavior patterns. The information could inform positioning and risk assessments in portfolios exposed to these regions and industries.

Read more: <https://www.ft.com/content/34bdd765-0d68-4e9b-9342-f4bd944bce5f>

FT Alphaville

Skin in the game: one biotech's quest to invent the sunless tan cream

A biotech company aiming to develop a sunless tan cream has attracted significant investor interest, highlighting the market's appetite for innovative consumer health products. Despite the early-stage nature of the venture, the firm's valuation has surged, driven by speculative flows and optimistic positioning among retail investors. The stock has experienced notable price volatility, reflecting the high-risk, high-reward sentiment prevalent in biotech innovation plays. This case underscores how narrative and potential market disruption can captivate capital, influencing trading volumes and price action even before product commercialization. Quant strategies focusing on momentum and sentiment may find such stocks particularly reactive to news and social media trends.

Read more: <https://www.ft.com/content/9272c1c2-07fb-407c-808b-8cac289127e4>

FT Alphaville

■ AI & Finance

From Habits to Tools

The article discusses the integration of AI-assisted coding tools, such as GitHub Copilot, into developer workflows, highlighting a shift from habitual coding practices to AI-augmented methods. It notes widespread adoption across companies mandating AI extensions in IDEs, signaling a structural change in software development. While not directly tied to financial markets, the increased efficiency and productivity from AI tools could impact tech sector valuations and labor market dynamics. Quant strategies might consider the growing influence of AI on software development productivity and innovation cycles. No specific market data or price action is mentioned.

Read more: <https://www.oreilly.com/radar/from-habits-to-tools/#BlogPosting>

Oreilly.com

17 Ways You Can Make Money Online In 2025

The article outlines 17 strategies for generating online income in 2025, emphasizing scalable methods such as digital products and AI-driven tools. It highlights the growing trend of leveraging expertise through online platforms, reflecting broader shifts in digital economy monetization. While not directly tied to market data or price action, the focus on AI tools suggests increased demand for technology-related services and platforms. This could influence tech sector flows and positioning as investors seek exposure to companies enabling online income generation. The piece underscores evolving digital monetization trends relevant for market participants tracking tech adoption and consumer behavior shifts.

Read more:

<https://www.forbes.com/sites/jodiecook/2025/10/15/17-ways-you-can-make-money-online-in-2025/>

Forbes

ISACA CISA Certification Practice Exams

The article provides resources for preparing for the Certified Information Systems Auditor (CISA) certification through practice exams. While not directly related to financial markets, the CISA certification is relevant for professionals involved in IT audit, control, and security, which can impact risk management and compliance in financial institutions. Enhanced cybersecurity and audit capabilities can influence market confidence and operational resilience. However, there are no immediate market data points, price actions, policy changes, or flow information presented in the content.

Read more: <https://www.theserverside.com/blog/Coffee-Talk-Java-News-Stories-and-Opinions/ISACA-CISA-Certification-Practice-Exams>

Theserverside.com

■ Quant Keywords & Mini-Glossary

Short Interest — [The total amount of shares or contracts sold short but not yet covered or closed out.]

Positioning Flows — [Movements of large investors' holdings that indicate changes in market exposure.]

Real-time Analytics — [Immediate processing and analysis of market data to inform trading decisions.]

Alpha Opportunities — [Potential to generate returns above a benchmark through unique or less crowded positions.]

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

Momentum Signals — [Indicators based on recent price trends used to predict future price movements.]

Leverage Unwinding — [The process of reducing borrowed positions, often causing increased volatility.]

Volatility Spike — [A sudden increase in price fluctuations, often measured by indices like the VIX.]

Credit Risk — [The risk of loss due to a borrower's failure to repay loans or meet contractual obligations.]

Non-performing Loans (NPLs) — [Loans on which the borrower is not making interest payments or repaying any principal.]

Tariff Risk — [The potential impact on asset prices and earnings due to changes in trade tariffs.]

Debt Servicing Costs — [Expenses related to paying interest and principal on outstanding debt.]

Sovereign Debt Supply — [The amount of government-issued bonds available in the market.]

Risk-off Sentiment — [Market behavior characterized by reduced appetite for riskier assets.]

Order Flow Imbalance — [A disparity between buy and sell orders that can signal price pressure.]

Positioning Data — [Information on how investors are allocated across asset classes or securities.]

Vol Surface — [A three-dimensional plot showing implied volatility across strike prices and maturities.]

Term Premium — [The extra yield investors require to hold longer-term bonds instead of rolling over short-term bonds.]

Convexity — [A measure of the curvature in the relationship between bond prices and yields.]

Value at Risk (VaR) — [A statistical technique to quantify the potential loss in value of a portfolio over a defined period.]

Conditional VaR (CVaR) — [The expected loss exceeding the VaR threshold, measuring tail risk.]

Realized vs Implied Volatility — [Comparison between actual historical volatility and market-expected future volatility.]

Basis — [The difference between the spot price and futures price of an asset.]

Carry — [The cost or benefit of holding an asset, including income and financing costs.]

Credit Quality Deterioration — [Decline in the creditworthiness of borrowers, increasing default risk.]