

Quant Daily Digest

■ Daily Overview

Macro & Sentiment Markets are cautiously optimistic ahead of a high-profile Trump-Xi phone call, with S&P; 500 futures modestly up ~0.15-0.20%. The geopolitical spotlight on US-China relations is driving risk-on sentiment, though underlying caution persists amid ongoing US government funding uncertainties. The Trump administration's controversial policy moves—such as increased H-1B visa fees and unproven health warnings—add to regulatory risk perceptions, particularly in tech and pharma sectors. Equities / Rates Tech remains a focal point, buoyed by Microsoft and OpenAI's £31 billion AI investment pledge in the UK, signaling strong sector commitment despite concerns over the UK's aging power infrastructure. Quant strategies targeting under-the-radar tech stocks with positive earnings revisions and momentum indicators are gaining traction, suggesting alpha opportunities in niche segments. Meanwhile, seven mutual funds trimming midcap exposure in August reflect selective risk-off positioning amid macro uncertainties. Rates markets remain range-bound as investors await clarity on US fiscal policy and Sino-US dialogue outcomes. FX & Commodities No major FX moves noted; the USD holds steady amid geopolitical developments. Commodity markets remain subdued, with no fresh catalysts from energy or metals sectors. What to Watch • Outcome and tone of the Trump-Xi phone call for US-China trade and tech cooperation signals • Market reaction to Microsoft/OpenAI's UK AI investments amid infrastructure concerns • Midcap equity flows post mutual fund trimming and implications for risk appetite in smaller caps

■ Hot List

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

The article discusses a quantitative strategy focusing on under-the-radar tech stocks that exhibit strong potential for outperformance. It highlights specific data-driven criteria such as earnings revisions, momentum indicators, and relative strength to identify these hidden gems. The approach emphasizes systematic screening and portfolio construction to capitalize on inefficiencies in the tech sector. Additionally, the piece notes recent shifts in market positioning, with investors increasingly favoring quality growth names amid volatility. This quant playbook aims to provide a disciplined framework for capturing alpha in tech equities through data-centric analysis and tactical allocation.

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 in UK artificial intelligence projects following Trump's visit, signaling strong tech sector interest. However, experts warn that the UK's aging and strained power grid may struggle to support the increased energy demands from these AI initiatives. This infrastructure challenge could impact the scalability and operational efficiency of these investments. Market participants should monitor UK energy sector developments and potential policy responses aimed at grid modernization, as these will influence the viability and timing of tech sector growth. The situation highlights the intersection of tech investment flows and infrastructure constraints in the UK market.

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

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 adjustments could impact liquidity and price action in these stocks, potentially increasing volatility. Such moves by institutional investors often indicate shifts in market sentiment or repositioning ahead of anticipated economic or policy developments. Quant strategies tracking mutual fund flows and positioning may find this data relevant for predictive modeling and risk assessment.

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 monitoring 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 sparked by expectations of potential rate cuts. This price action reflects cautious optimism amid ongoing geopolitical and policy uncertainties. Positioning appears to be moderately long as investors weigh the impact of policy signals and global developments on risk assets.

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

Barchart.com

Promising Artificial Intelligence Stocks To Watch Now – September 18th

MarketBeat's stock screener highlights five AI-related stocks to watch: Salesforce, SoundHound AI, Super Micro Computer, QUALCOMM, and ServiceNow. These companies are positioned to benefit from ongoing AI adoption trends, with potential implications for tech sector flows and thematic investment strategies. The focus on these stocks suggests increased market interest and possible momentum in AI equities, relevant for quant models tracking sector rotation and factor exposures. Price action in these names may reflect broader investor sentiment toward AI innovation and growth prospects. Monitoring volume and volatility in these stocks could provide actionable signals for algorithmic trading strategies.

Read more: <https://www.etfdailynews.com/2025/09/21/promising-artificial-intelligence-stocks-to-watch-now-september-18th/>

ETF Daily News

Trump to meet top Democrats as their health care demands fuel government shutdown risk

Senate Majority Leader Chuck Schumer has called on President Donald Trump to engage with top Democratic leaders to resolve the ongoing government funding impasse. The standoff centers on

Democrats' demands related to health care funding, raising the risk of a government shutdown. Market participants are closely watching these negotiations, as a shutdown could disrupt economic data releases and increase volatility in Treasury and equity markets. The uncertainty has led to cautious positioning among investors, with some reducing exposure to risk assets ahead of potential policy disruptions. Treasury yields have shown slight declines amid safe-haven demand, while equity futures remain subdued.

Read more: <https://www.cnn.com/2025/09/22/trump-schumer-jeffries-government-funding-.html>

US Top News and Analysis

Wall St indexes post record closing highs again, tech shares higher

U.S. stock indexes hit record closing highs for the third consecutive session, with the Dow up 0.1%, S&P 500 rising 0.4%, and Nasdaq gaining 0.7%. This follows last week's 0.25% Fed rate cut, though some officials remain skeptical about further easing amid inflation concerns. Market caution persists due to tariff-related inflation risks and geopolitical uncertainties, prompting calls for risk diversification. Notable movers included Nvidia (+4%) after announcing a \$100 billion investment in OpenAI, and Apple (+4%) following a target price upgrade from Wedbush. Kenvue shares dropped 7.5% on controversial comments but rebounded 6% in after-hours trading.

Read more: <https://finance.yahoo.com/video/wall-st-indexes-post-record-224422694.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

ACM Research Set to Join S&P; SmallCap 600

ACM Research Inc. (NASDAQ: ACMR) is set to join the S&P 500 index, replacing WK Kellogg Co. (NYSE: KLG) effective before market open on September 26. This change follows Ferrero Group's pending acquisition of WK Kellogg, which is nearing completion. Inclusion in the S&P 500 typically leads to increased demand from index funds and ETFs tracking the benchmark, potentially boosting ACMR's liquidity and share price. Market participants should monitor flows and positioning shifts as funds rebalance ahead of the effective date. This rebalancing event highlights ongoing sector rotation and M&A-driven index adjustments.

Read more: <https://finance.yahoo.com/news/acm-research-set-join-p-221600341.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Record highs, long-term rates, gold vs bitcoin: Market takeaways

US stocks (^DJI, ^IXIC, ^GSPC) closed at record highs for the third consecutive session, recovering from a slight pullback after Friday's peak. Treasury yields (^FVX, ^TNX, ^TYX) are reacting to the Federal Reserve's anticipated interest rate cuts, with long-term rates showing notable movements. Gold prices (GC=F) have risen amid declining bitcoin (BTC-USD) and broader crypto asset prices, indicating a shift in investor preference towards traditional safe havens. These dynamics highlight evolving market positioning as investors weigh Fed policy expectations against risk assets. The interplay between equities, bonds, and alternative assets remains critical for quant strategies.

Read more: <https://finance.yahoo.com/video/record-highs-long-term-rates-221514729.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Podcast: Nasdaq Leads U.S. Stocks to New Records

Nvidia's strategic investment in OpenAI propelled tech stocks, driving the Nasdaq Composite to new record highs on Monday. This tech sector strength outpaced broader market gains, with the S&P 500

and Dow Jones also advancing but less prominently. Pfizer's acquisition of GLP-1 maker Metsera signals increased M&A; activity in biotech, potentially influencing sector flows. Oracle's appointment of new co-CEOs may impact its stock positioning and investor sentiment. Overall, tech leadership and targeted biotech deals are shaping market dynamics, with notable price action and sector rotation evident in recent trading sessions.

Read more: <https://finance.yahoo.com/m/263d8ab3-51ac-309b-9bd5-a9a449ab8fa7/podcast%3A-nasdaq-leads-u.s..html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

■ Articles

polars-quant 0.3.0

Polars-quant 0.3.0 has been released on Pypi.org, offering a high-performance quant tool built on the Polars data processing library. This version emphasizes speed and efficiency, catering to quantitative analysts and traders requiring rapid data manipulation and analysis. The tool's enhancements could improve backtesting and real-time data processing workflows, potentially impacting algorithmic trading strategies. Its adoption may influence market participants' ability to process large datasets faster, affecting trade execution and strategy optimization. No direct market data or price action is involved, but the tool's capabilities support quantitative research and trading infrastructure.

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 link 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 growing medical information. The study employs mixed methods to assess how reliance on Google impacts diagnostic decisions and confidence levels. While not directly related to financial markets, the findings underscore the role of data accuracy and user confidence in decision-making processes, which can be analogously relevant to quant strategies relying on external data sources. 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 well with the company's M&A; strategy, emphasizing the strong cultural fit as a key factor for anticipated success. The deal reflects Workday's focus on strategic acquisitions that complement its existing business and enhance long-term growth prospects. Market reaction to the announcement showed moderate price movement, with investors weighing the integration risks against potential synergies. The acquisition is expected to bolster Workday's competitive positioning in the enterprise software space, potentially influencing sector flows and positioning among tech-focused funds. Overall, the deal underscores continued consolidation trends in the software industry.

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

'We need the smartest people': Nvidia, OpenAI CEOs react to Trump's H-1B visa fee

Nvidia CEO Jensen Huang and OpenAI CEO Sam Altman expressed concerns over the proposed increase in H-1B visa fees under the Trump administration, emphasizing the importance of attracting top global talent to the U.S. tech sector. Huang highlighted immigration as foundational to innovation and the American Dream, signaling potential risks to the tech industry's growth if visa restrictions tighten. This policy shift could impact labor supply in key technology firms, potentially influencing hiring costs and operational strategies. Market participants should monitor visa policy developments as they may affect tech sector valuations and talent-driven innovation trajectories.

Read more: <https://www.cnbc.com/2025/09/22/nvidia-openai-ceos-huang-altman-trump-h1b-visas.html>
US Top News and Analysis

Supreme Court lets Trump fire FTC's Slaughter for now

The U.S. Supreme Court has temporarily permitted President Donald Trump to remove Rebecca Slaughter from the Federal Trade Commission (FTC) as the Court reviews the legal challenge surrounding her dismissal. This decision introduces uncertainty regarding the FTC's leadership and potential regulatory direction. Market participants may monitor the FTC's enforcement stance, especially in antitrust and consumer protection areas, as changes in commission membership could impact regulatory policies. The ruling could influence investor sentiment toward sectors sensitive to FTC actions, such as technology and pharmaceuticals. The case outcome may also affect future presidential authority over independent agencies.

Read more: <https://www.cnbc.com/2025/09/22/trump-ftc-supreme-court-slaughter.html>
US Top News and Analysis

Disney says 'Jimmy Kimmel Live' will return to ABC on Tuesday

Disney announced that "Jimmy Kimmel Live" will resume airing on ABC starting Tuesday, following a temporary suspension. The show was pulled after Kimmel made controversial remarks connecting the alleged killer of conservative activist Charlie Kirk to former President Trump's MAGA movement. This decision by Disney and ABC may impact viewership and advertising revenues in the short term. The move also highlights the sensitivity of political content on major networks and potential risks to brand reputation. Market participants should monitor Disney's stock for any volatility linked to public and advertiser reactions.

Read more: <https://www.cnbc.com/2025/09/22/disney-abc-jimmy-kimmel-return.html>
US Top News and Analysis

Trump admin draws unproven link between autism and Tylenol ingredient use during pregnancy

The Trump administration issued warnings against the use of acetaminophen during pregnancy, citing unproven links to autism, which could impact pharmaceutical sector sentiment, particularly for companies producing pain relief medications like Tylenol. Officials recommended limiting acetaminophen use to cases of fever and promoted a lesser-known drug as a potential autism

treatment, potentially influencing future drug development and healthcare sector flows. Market participants may monitor shifts in pharmaceutical stocks and healthcare policy positioning as regulatory scrutiny intensifies. No immediate price action was noted, but the announcement could affect long-term sector valuations and investment strategies.

Read more: <https://www.cnbc.com/2025/09/22/trump-autism-tylenol-acetaminophen-pregnancy.html>

US Top News and Analysis

Stock market today: Dow, S&P; 500, Nasdaq futures waver after another record-setting day on Wall Street

US stock futures showed mixed signals following another record-setting session on Wall Street, with the Dow, S&P; 500, and Nasdaq futures wavering in early trading. The previous day's gains were driven by strong earnings reports and optimism around economic recovery, pushing major indices to new highs. Market participants remain cautious amid ongoing inflation concerns and Federal Reserve policy outlooks, which continue to influence positioning and flow dynamics. Investors are closely monitoring upcoming economic data and corporate earnings for further direction. Volatility is expected to persist as traders balance risk amid mixed signals from macroeconomic indicators.

Read more: <https://finance.yahoo.com/news/live/stock-market-today-dow-sp-500-nasdaq-futures-wave-r-after-another-record-setting-day-on-wall-street-230319860.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

And the FTAV charts quiz winner is...

The article from FT Alphaville reveals the winner of their FTAV charts quiz, highlighting a playful engagement with financial data visualization. While it does not provide specific market data, price movements, or policy updates, the piece underscores the importance of chart literacy and data interpretation skills in finance. Such quizzes can help market participants refine their ability to analyze trends, positioning, and flows, which are critical for quantitative strategies. The content is more educational and interactive rather than offering actionable market insights or new data points.

Read more: <https://www.ft.com/content/58d10364-2f2c-41b2-a01a-73adb35de4f3>

FT Alphaville

Happy 40th birthday to the Plaza Accord

The Plaza Accord, signed 40 years ago, remains a landmark event in currency market intervention history. The agreement among major economies aimed to depreciate the US dollar to correct trade imbalances, leading to significant FX market volatility and shifts in global capital flows. Its legacy influences current central bank coordination and currency policy frameworks, highlighting the impact of coordinated interventions on exchange rates and market positioning. Traders and quants can draw parallels to modern-day currency interventions and the importance of monitoring policy signals and cross-asset flows. The Accord's anniversary underscores ongoing relevance in FX strategy and risk management.

Read more: <https://www.ft.com/content/9d2ddbd4-e447-487f-91c5-e367a85ea285>

FT Alphaville

FTAV Q&A;: Srikanth Jagabathula

NYU professor Srikanth Jagabathula discusses how AI systems are now capable of passing CFA Level III exams with ease, highlighting the rapid advancement in AI's ability to process and analyze complex financial data. This development signals potential shifts in the financial industry, where AI could increasingly handle tasks traditionally performed by human analysts and portfolio managers. The implications for market participants include changes in job roles, increased efficiency in data-driven decision-making, and possibly altered market dynamics due to AI-driven trading and analysis. Investors and quants should monitor AI integration as it may impact market flows and positioning strategies.

Read more: <https://www.ft.com/content/ba4eeacc-8b6f-4acc-b3ac-3f2764d3cec7>

FT Alphaville

FTAV's further reading

The article from FT Alphaville covers diverse topics including the Ig Nobel prizes, climate change implications, historical patterns, endowment fund strategies, and the concept of a post-literate society. While not directly focused on market data or price action, the discussion on endowments may hint at evolving investment approaches amid climate risks and societal shifts. These themes could influence long-term asset allocation and risk management strategies for institutional investors. However, the piece lacks immediate market-moving data or policy updates relevant to quant trading or flows.

Read more: <https://www.ft.com/content/cc084d5e-a9e3-4778-b7d3-eeee0b6cc22e>

FT Alphaville

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

The FT Alphaville article questions the British origins of a key AI firm central to the UK's national AI strategy. While the firm is presented as a British entity, scrutiny reveals complex ownership and operational structures that may dilute its British identity. This raises potential concerns about the authenticity of domestic AI innovation claims and the implications for government policy and investment flows aimed at boosting the UK tech sector. Market participants should monitor how this perception affects investor confidence and capital allocation in UK AI ventures. No immediate price action or regulatory changes are noted, but positioning in UK tech stocks could be influenced by evolving narratives around national tech sovereignty.

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

FT Alphaville

■ AI & Finance

Breaking A \$1,800 A Year Habit Felt 'Life-Changing.' The First Month Alone Put \$126 Back In Their Pocket

A Reddit user highlighted the financial impact of quitting a daily \$6-7 coffee shop habit, saving approximately \$1,800 annually. The first month alone resulted in \$126 saved, demonstrating the tangible benefits of small daily expense changes. This anecdote underscores consumer behavior shifts that can influence discretionary spending patterns. While not directly market-moving, such micro-level savings trends could aggregate to affect retail and consumer goods sectors. The story reflects broader themes of personal finance discipline and potential shifts in consumer cash flow allocation.

Read more: <https://finance.yahoo.com/news/breaking-1-800-habit-felt-133112148.html>

Yahoo Entertainment

Trump's Big Miscalculation on Sanctions in a Dollar-Based Transaction World

The article highlights how U.S. sanctions and tariffs under the Trump administration have inadvertently pushed China, Russia, and other nations to collaborate in reducing reliance on the U.S. dollar for international transactions. This shift challenges the dollar's dominance in global trade and finance, potentially impacting dollar-denominated asset flows and FX market dynamics. The move toward alternative currencies and payment systems could alter global capital allocation and increase volatility in currency markets. For quants and market participants, monitoring shifts in cross-border payment volumes and emerging currency pairs will be critical for risk management and strategy adaptation.

Read more: <https://www.activistpost.com/trumps-big-miscalculation-on-sanctions-in-a-dollar-based-transaction-world/>

Activistpost.com

InterDigital (NASDAQ:IDCC) vs. AST SpaceMobile (NASDAQ:ASTS) Financial Survey

InterDigital (NASDAQ:IDCC) and AST SpaceMobile (NASDAQ:ASTS) are both technology sector stocks under review for investment potential, with a focus on institutional ownership as a key metric. The comparison highlights differences in institutional positioning, which can influence liquidity and price stability. While specific data points on price action or flows are not detailed, institutional ownership trends often signal market confidence and can impact future volatility. Investors may consider these factors alongside broader market conditions and company fundamentals when evaluating these stocks. The analysis suggests that institutional interest remains a critical factor in assessing tech stock attractiveness.

Read more: <https://www.etfdailynews.com/2025/09/21/interdigital-nasdaqidcc-vs-ast-spacemobile-nasdaqasts-financial-survey/>

ETF Daily News

Emad Mostaque on the End of Capitalism

Emad Mostaque predicts AI will radically transform global economic structures within 1,000 days, potentially signaling the end of traditional capitalism. This disruption could lead to significant shifts in market dynamics, asset valuations, and capital flows as AI-driven efficiencies and automation reshape productivity and labor markets. Quant strategies may need to adapt rapidly to new data regimes and altered risk factors. Investors should monitor AI adoption rates and policy responses closely, as these will influence market positioning and sector rotations. The anticipated rapid change underscores the importance of agile models and real-time data integration in trading.

Read more: https://danielmiessler.com/blog/emad-mostaque-on-the-end-of-capitalism?utm_source=rss&utm_medium=feed&utm_campaign=website

Danielmiessler.com

■ Quant Keywords & Mini-Glossary

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

Momentum Indicators — [Metrics measuring the speed and strength of price movements to identify trends.]

Relative Strength — [A ratio comparing a stock's performance to a benchmark to identify outperformers.]

Portfolio Construction — [The process of selecting and weighting assets to optimize risk-return tradeoff.]

Market Positioning — [The aggregate stance of investors in terms of long or short exposures.]

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

Volatility — [A statistical measure of the dispersion of returns, indicating risk level.]

Mutual Fund Flows — [The net buying or selling activity in mutual funds reflecting investor sentiment.]

Futures Price Action — [Movements in futures contract prices reflecting market expectations.]

Risk Assets — [Investments like stocks that carry higher risk and potential return.]

Safe-Haven Demand — [Investor preference for low-risk assets during market uncertainty.]

Index Inclusion/Rebalancing — [Adjustments to index constituents that affect fund flows and liquidity.]

Sector Rotation — [Shifts in investment allocations between industry sectors based on outlook.]

Long-Term Rates — [Interest rates on debt instruments with extended maturities, influencing valuations.]

Cross-Asset Flows — [Capital movements between different asset classes like stocks, bonds, and commodities.]

Algorithmic Trading Signals — [Quantitative indicators derived from price and volume data to trigger trades.]

Institutional Ownership — [The proportion of a company's shares held by large investors, affecting stability.]

Trade Flow Imbalance — [Disparity between buy and sell orders that can impact short-term price moves.]

Policy Risk — [Uncertainty in markets caused by potential changes in government regulations or actions.]

Interest Rate Cuts — [Reductions in benchmark rates that can stimulate economic activity and asset prices.]

Safe-Haven Assets — [Assets like gold or Treasury bonds that retain value during market stress.]

Volatility Surface — [A 3D plot showing implied volatility across strike prices and maturities.]

Factor Exposures — [Sensitivity of a portfolio to systematic risk factors like value or growth.]

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

M&A; Activity Impact — [Effects of mergers and acquisitions on stock prices and sector flows.]