

Quant Daily Digest

■ Daily Overview

Macro & Sentiment The Fed's December minutes reveal a sharply divided committee on the recent rate cut, reflecting ongoing uncertainty about the economic outlook. Some officials favor easing to support growth, while others remain cautious amid persistent inflation risks. This split suggests a potentially volatile policy path in early 2026. Meanwhile, housing affordability is improving slightly as home prices and mortgage rates ease, but elevated down payment requirements continue to constrain buyer activity, indicating a mixed consumer backdrop. Equities / Rates Investor appetite for hedge fund exposure is intensifying, with Separately Managed Accounts (SMAs) gaining traction as allocators seek more tailored, transparent structures. This shift signals a structural evolution in alternative investments likely to accelerate next year, potentially boosting hedge fund inflows and liquidity. Equities may benefit from this trend, especially in quant-driven strategies that can exploit SMA customization. Rates markets remain sensitive to Fed policy ambiguity, with limited conviction on further cuts or hikes near term. **FX & Commodities** Cryptocurrencies are in a strong rally phase, with Bitcoin surging to \$90,000 and Ethereum reclaiming \$3,000. This renewed bullish momentum highlights growing institutional and retail interest, possibly driven by macro uncertainty and a search for alternative stores of value. Watch for volatility spikes as crypto markets remain reactive to regulatory and macro news. **What to Watch** • Fed policy trajectory in Q1 2026 amid committee division on rate cuts • Hedge fund SMA adoption accelerating, implications for liquidity and alpha generation • Crypto price action and volatility around key resistance levels (BTC \$90k, ETH \$3k)

■ Hot List

Everyone wants a piece of the latest hedge-fund gold rush — and insiders say next year the frenzy will accelerate

Allocators and portfolio managers are increasingly adopting Separately Managed Accounts (SMAs), signaling a significant shift in hedge fund investment structures. This trend is expected to accelerate in 2026, driven by demand for greater transparency, customization, and control over fees compared to traditional hedge fund models. The growing preference for SMAs is influencing asset flows, with more capital moving away from pooled funds into individually managed accounts. This shift impacts market positioning as investors seek tailored exposure and improved liquidity. The SMA gold rush reflects evolving investor priorities and could reshape hedge fund strategies and fee structures in the near term.

Read more: <https://www.businessinsider.com/hedge-fund-sma-gold-rush-will-intensify-2026-2025-12>
Business Insider

Bitcoin climbs to \$90,000, Ethereum claims \$3,000 as crypto market rallies

Bitcoin surged to \$90,000, marking a significant rally in the cryptocurrency market, while Ethereum reclaimed the \$3,000 level, signaling renewed bullish momentum. The price action suggests strong buying interest, with key resistance levels being tested that could influence further upside potential. Market analysts are closely monitoring year-end drivers, including institutional flows and macroeconomic factors, which may sustain the rally. This rebound follows a period of consolidation, indicating improved market positioning and sentiment among traders. The sharp recovery in major

cryptocurrencies highlights increased risk appetite and potential for continued volatility.

Read more: <https://economictimes.indiatimes.com/markets/cryptocurrency/bitcoin-climbs-to-90000-ethereum-reclaims-3000-as-crypto-market-rallies/articleshow/126224955.cms>

The Times of India

Meta Whale (\$CES): A Next-Wave ETF Play Hidden in Plain Sight

Meta Whale's \$CES token is gaining attention as a promising altcoin ETF play, leveraging real cash flow from one of Polygon's top-5 decentralized exchanges (DEX). The token benefits from a dedicated community of long-term holders, indicating strong investor conviction and reduced volatility risk.

Anticipated product launches in Q1 2026 are expected to catalyze further price appreciation, positioning \$CES as undervalued relative to its growth potential. This combination of on-chain activity, community strength, and upcoming catalysts makes \$CES a notable candidate for quant strategies focused on emerging blockchain assets. Market participants should monitor flow and positioning shifts ahead of the 2026 product rollout.

Read more: <https://www.ibtimes.com/meta-whale-ces-next-wave-etf-play-hidden-plain-sight-3793890>
International Business Times

Fed minutes show officials were in tight split over December rate cut

The Federal Reserve's December meeting minutes revealed a closely divided stance among officials regarding a potential rate cut. Some members favored easing monetary policy to support economic growth, while others expressed caution due to persistent inflation risks. The split highlights uncertainty about the Fed's next moves amid mixed economic data. Market participants may see increased volatility as traders weigh the likelihood of a December rate reduction. Positioning in interest rate futures and bond markets could adjust accordingly, reflecting the nuanced outlook on inflation and growth. The minutes underscore the Fed's careful balancing act in policy decisions.

Read more: <https://www.cnbc.com/2025/12/30/fed-minutes-december-2025.html>
US Top News and Analysis

Home prices are getting slightly more affordable, but down payments are still holding buyers back

Home prices have become slightly more affordable due to recent declines in prices and mortgage rates, easing some pressure on buyers. However, the time required to save for a down payment remains elevated compared to pre-pandemic levels, continuing to constrain buyer activity. This dynamic suggests that while market entry barriers are easing, affordability challenges persist, potentially impacting housing demand and related financial flows. Mortgage rate movements and price adjustments are key data points influencing buyer positioning and market liquidity. The housing sector's mixed signals may affect quant models tracking real estate and consumer credit trends.

Read more: <https://www.cnbc.com/2025/12/30/home-prices-affordable-down-payments-buyers.html>
US Top News and Analysis

SoftBank has fully funded \$40 billion investment in OpenAI, sources tell CNBC

SoftBank has fully funded its \$40 billion investment in OpenAI, according to sources cited by CNBC. This significant capital injection underscores the escalating corporate commitment to AI infrastructure,

driven by increasing demands for compute power and connectivity. The funding is expected to bolster OpenAI's capacity to develop advanced AI models and expand its market presence. This move may influence tech sector valuations and attract further investment flows into AI-related equities and infrastructure providers. Market participants should monitor potential shifts in tech sector positioning and related asset price dynamics stemming from this large-scale funding.

Read more: <https://www.cnbc.com/2025/12/30/softbank-openai-investment.html>

US Top News and Analysis

Apple needs to deliver an AI-charged Siri so good it gets older iPhone users to upgrade

Apple is under pressure to enhance Siri with advanced AI capabilities to drive iPhone upgrades, particularly among older users. The company's previous AI efforts in 2025 fell short, impacting user engagement and device sales. Market watchers are closely monitoring Apple's AI integration as a potential catalyst for renewed demand in its hardware segment. Improved AI features could influence Apple's stock by boosting consumer interest and sales momentum. This development is critical for positioning Apple competitively against rivals leveraging AI to enhance user experience and ecosystem lock-in.

Read more: <https://www.cnbc.com/2025/12/30/apple-intelligence-ai-siri-iphone.html>

US Top News and Analysis

Dow Jones Futures: Market Near Highs As New Year Looms; Eli Lilly, Shopify Forge Buy Points

Dow Jones futures are trading near their highs as the market approaches the final day of 2025, indicating sustained bullish momentum. Key support levels remain intact, suggesting limited downside risk in the near term. Notably, stocks like Shopify and Eli Lilly have established new buy points, signaling potential entry opportunities for traders and quants focusing on momentum and breakout strategies. The market's positioning near highs with fresh buy signals could attract increased flow into growth and healthcare sectors. Overall, the setup points to continued strength and selective stock-level opportunities ahead of the new year.

Read more: https://finance.yahoo.com/m/df58b2a7-2039-3fdb-a6ac-e94e6367fb4e/dow-jones-futures_63A-market.html?.tsrc=rss

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Stock Market Today, Dec. 30: Tesla Falls After Offering Weak Delivery Outlook

On December 30, 2025, Tesla shares declined following the company's weak delivery outlook, signaling potential supply-chain challenges and cautious near-term demand. Despite Tesla's ongoing AI initiatives, analysts expressed skepticism, leading to downward revisions in price targets and increased volatility in the stock. The broader market reacted with mixed sentiment, as concerns over Tesla's guidance contrasted with optimism in tech sectors. Data flows indicated elevated short interest and reduced institutional buying, reflecting cautious positioning ahead of Tesla's next earnings report. This price action underscores the market's sensitivity to delivery metrics and supply constraints in high-growth stocks.

Read more: <https://www.fool.com/coverage/stock-market-today/2025/12/30/stock-market-today-dec-30-tesla-falls-after-offering-weak-delivery-outlook/?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Stock Market Today, Dec. 30: Nio Rallies on Upbeat Q4 Sales Outlook

On December 30, 2025, Nio's stock surged following the company's optimistic Q4 sales forecast of \$4.3 billion, significantly exceeding market expectations. The rally was further supported by the extension of China's electric vehicle subsidy program, boosting investor confidence in the sector's growth prospects. This positive outlook contributed to increased buying flows and improved positioning in EV-related equities. Broader market indices showed mixed reactions, with tech and growth stocks experiencing moderate volatility amid year-end portfolio adjustments. Nio's strong guidance and policy tailwinds highlight key drivers for quant strategies focusing on momentum and thematic sector plays.

Read more: <https://www.fool.com/coverage/stock-market-today/2025/12/30/stock-market-today-dec-30-nio-rallies-on-upbeat-q4-sales-outlook/?tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

■ Articles

quant-torch 0.0.1

Quant-torch 0.0.1 is a newly released machine learning framework focused on forecasting and backtesting, available on PyPi.org. This tool aims to support quantitative analysts and traders by providing robust ML models tailored for financial time series prediction and strategy evaluation. Its integration capabilities could enhance systematic trading workflows by enabling more efficient model development and validation. The framework's release signals growing adoption of ML techniques in quantitative finance, potentially improving predictive accuracy and risk management. Market participants leveraging such tools may gain an edge in navigating complex market dynamics.

Read more: <https://pypi.org/project/quant-torch/0.0.1/>

PyPi.org

Saylor's Strategy would have done better without Bitcoin, says Peter Schiff

Peter Schiff criticized Michael Saylor's Bitcoin-heavy investment strategy, arguing it would have yielded better returns without Bitcoin due to its high volatility and risk. Schiff's comments emphasize the importance of diversification and strategic asset allocation in crypto portfolios. This critique has sparked debate among investors about the risk-reward balance of concentrated Bitcoin exposure versus diversified holdings. The discussion is relevant for quant strategies focusing on volatility management and portfolio optimization in crypto markets. Market participants may reassess Bitcoin positioning amid concerns over its price swings and potential impact on overall portfolio performance.

Read more: <https://cryptobriefing.com/saylor-strategy-better-without-bitcoin-says-schiff/>

Crypto Briefing

A computational framework to study EGFR signaling distribution in egg chambers during dynamic interactions between soma and germline

The provided article discusses a computational framework for studying EGFR signaling distribution during dynamic soma-germline interactions in egg chambers, focusing on cell differentiation processes. While it offers insights into spatiotemporal signal pattern formation, it does not contain financial market data, price movements, policy changes, or flow and positioning information relevant to market or quantitative analysis. Therefore, it holds no immediate relevance for financial market participants or quantitative traders seeking actionable data.

Read more: <https://journals.plos.org/ploscombiol/article?id=10.1371/journal.pcbi.1013802>

Plos.org

Nanochemicals Market Size to Worth USD 43.93 Billion by 2035

The global nanochemicals market is projected to expand from USD 22.63 billion in 2026 to USD 43.93 billion by 2035, reflecting a compound annual growth rate (CAGR) of 7.65%. This growth trajectory highlights increasing demand and adoption of nanochemical products across various industries. The forecasted market size and steady CAGR suggest significant investment and innovation opportunities within the sector. Market participants and quantitative analysts may consider this data for sector allocation and thematic investment strategies focused on advanced materials and nanotechnology. The report underscores the potential for sustained capital flows into nanochemical-related equities and ETFs over the next decade.

Read more: <https://www.globenewswire.com/news-release/2025/12/29/3210910/0/en/Nanochemicals-Market-Size-to-Worth-USD-43-93-Billion-by-2035.html>

GlobeNewswire

Thermoplastic Polyimides Market Size to Worth USD 1,926.61 Mn by 2035

The global thermoplastic polyimides market is projected to expand from USD 795.39 million in 2026 to USD 1,926.61 million by 2035, reflecting a compound annual growth rate (CAGR) indicative of strong demand. This growth trajectory suggests increasing industrial adoption, likely driven by advancements in materials science and applications in electronics, automotive, and aerospace sectors. Market participants and investors should monitor related supply chain developments and raw material price trends, as these could impact margins and pricing strategies. The forecasted expansion may influence equity valuations of companies involved in specialty polymers and related manufacturing.

Read more: <https://www.globenewswire.com/news-release/2025/12/29/3210902/0/en/Thermoplastic-Polyimides-Market-Size-to-Worth-USD-1-926-61-Mn-by-2035.html>

GlobeNewswire

Epoxy Resin Market Size Worth USD 21.22 Bn by 2035 Driven by EV Growth, Renewable Energy, and Infrastructure Development

The epoxy resin market is projected to reach USD 21.22 billion by 2035, driven primarily by growth in electric vehicles (EVs), renewable energy sectors, and infrastructure development. This forecast highlights increasing demand for epoxy resins in advanced composites and coatings essential for EV batteries, wind turbines, and construction materials. Market expansion is expected to accelerate due to policy support for clean energy and infrastructure investments globally. Key players are likely to benefit from rising industrial applications and regional growth, particularly in Asia-Pacific. These trends suggest potential shifts in commodity flows and sector positioning relevant for market participants and quantitative strategies focused on materials and industrials.

Read more: <https://www.globenewswire.com/news-release/2025/12/29/3210848/0/en/Epoxy-Resin-Market-Size-Worth-USD-21-22-Bn-by-2035-Driven-by-EV-Growth-Renewable-Energy-and-Infrastructure-Development.html>

GlobeNewswire

3 people who pivoted into AI share how they used their college experience to break into the field

The article profiles three individuals who transitioned into AI careers by leveraging their college experiences, including returning to school for specialized education, securing internships, and utilizing college networks. Their pathways highlight the importance of targeted skill acquisition and industry connections in breaking into AI roles at startups and major tech firms. While not directly impacting markets, this trend underscores the growing talent pipeline fueling AI sector growth, potentially influencing tech hiring patterns and innovation cycles. The emphasis on education and internships may affect future labor market dynamics in technology and AI-related equities.

Read more: <https://www.businessinsider.com/how-three-people-used-college-to-break-into-ai-2025-12>
Business Insider

An ultrasmall core–shell silica nanoparticle improves antitumour immunity and survival by remodelling suppressive melanoma microenvironments

The article discusses a breakthrough in cancer treatment using ultrasmall core–shell silica nanoparticles as adjuvant therapy. These nanoparticles reprogram the tumor microenvironment in resistant melanoma, shifting it from suppressive to pro-inflammatory. This remodeling enhances antitumor immunity and works synergistically with immune checkpoint inhibitors, leading to prolonged survival in murine models. While primarily biomedical, the innovation could influence biotech sector valuations and investment flows, especially in companies focused on immunotherapy and nanotechnology. Market participants may watch for related clinical trial data and potential commercial applications impacting healthcare equities.

Read more: <https://www.nature.com/articles/s41565-025-02083-z>
Nature.com

These restaurant chains closed locations in 2025

Major restaurant chains including Starbucks, Wendy's, and Denny's have announced plans to close underperforming locations in 2025. This move reflects a strategic shift to optimize operational efficiency and cut costs amid changing consumer behaviors and economic pressures. The closures could impact supply chain demand and local employment figures, potentially influencing regional economic data. Investors may interpret these actions as a sign of cautious outlook within the casual dining and quick-service sectors, affecting stock price volatility and sector ETFs. Market participants should monitor subsequent earnings reports and same-store sales metrics for further insights into sector health and consumer trends.

Read more: <https://www.cnbc.com/2025/12/30/2025-restaurant-closures-starbucks-wendys.html>
US Top News and Analysis

Stock Market Today, Dec. 30: Rocket Lab Regains Momentum

On December 30, 2025, Rocket Lab shares rebounded following a week of declines, driven by renewed investor interest in the company's strategic role in national security. This recovery highlights shifting market sentiment towards space sector equities, potentially signaling increased capital inflows into defense-related tech stocks. The broader market context remains mixed, with investors weighing geopolitical factors and policy developments impacting aerospace and defense spending. Rocket Lab's price action may influence sector positioning and quant models focusing on momentum and thematic plays in emerging technologies. Monitoring volume and volatility patterns could provide further insights into institutional participation.

Read more: <https://www.fool.com/coverage/stock-market-today/2025/12/30/stock-market-today-dec-30-rocket-lab-regains-momentum/?tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Stock Market Today, Dec. 30: Boeing Led Industrials as Major Indexes Drift Near Records

On December 30, 2025, U.S. stock markets exhibited subdued year-end trading with major indexes hovering near record highs. Boeing outperformed within the industrial sector, driving gains amid otherwise muted price action. The S&P 500, Nasdaq, and Dow Jones Industrial Average showed limited volatility, reflecting cautious investor positioning ahead of the new year. Market flows indicated steady demand for blue-chip industrials, while broader market breadth remained narrow. No significant policy announcements influenced trading, maintaining a stable environment for quant strategies relying on low volatility and trend-following signals.

Read more: <https://www.fool.com/coverage/stock-market-today/2025/12/30/stock-market-today-dec-30-boeing-led-industrials-as-major-indexes-drift-near-records/?tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

What links the Trump crypto empire and Burkina Faso's stablecoin plans?

The FT Alphaville article explores the unexpected connection between the Trump crypto empire and Burkina Faso's plans to launch a national stablecoin. Both initiatives highlight the growing interest in digital currencies beyond traditional financial hubs, with Burkina Faso aiming to enhance financial inclusion through blockchain technology. The Trump crypto venture, despite its controversial background, underscores the increasing involvement of high-profile figures in crypto markets. Market participants should note the potential for emerging economies to drive stablecoin adoption, influencing global crypto flows and regulatory scrutiny. This development may impact positioning in digital assets and related financial instruments.

Read more: <https://www.ft.com/content/ddc2b71b-7134-4863-a096-6256f17ddfe0>

FT Alphaville

Dotcom tycoon to bankruptcy court: the fall and fall of Robert Bonnier

Robert Bonnier, a dotcom entrepreneur, is facing bankruptcy court amid allegations of manipulating AudioBoom's share price. A judge ruled that Bonnier lied to secure investment from property developer Nick Candy, raising concerns about the integrity of the company's stock movements. This case highlights potential market manipulation risks and the impact of false information on investor flows and positioning. AudioBoom's shares have experienced volatility amid these revelations, affecting market

confidence. The situation underscores the importance of transparency and regulatory scrutiny in maintaining fair market conditions.

Read more: <https://www.ft.com/content/728d7c77-f037-48b3-9a81-d112791d8b62>

FT Alphaville

The best of FT Alphaville, 2025 edition

FT Alphaville's 2025 edition offers a reflective overview of market dynamics, emphasizing introspection over new data or policy shifts. The piece highlights ongoing market uncertainties and the challenges in forecasting amid evolving economic conditions. While specific price actions or flows are not detailed, the narrative underscores the importance of understanding market psychology and positioning in volatile environments. The edition serves as a reminder for quants and traders to consider behavioral factors alongside quantitative models. Overall, it provides a thematic rather than data-driven market analysis.

Read more: <https://www.ft.com/content/c5e120cd-494e-4eef-a620-35fed8d62d27>

FT Alphaville

Prediction markets barely make money; sportsbooks make money

Prediction markets like Kalshi, designed to financialize differences of opinion on events such as sports outcomes, struggle to generate consistent profits. Unlike sportsbooks, which have established models and pricing strategies that reliably produce revenue, prediction markets face challenges in liquidity, pricing efficiency, and participant incentives. The article highlights that while prediction markets aim to serve as "truth machines," their current market structures and participant behavior limit profitability and market depth. This contrast underscores the difficulty in translating opinion-based event outcomes into scalable, profitable financial products. The findings have implications for quant strategies relying on alternative data from such markets.

Read more: <https://www.ft.com/content/1ac03f57-bd5d-4196-85ff-4bd96dc69e0d>

FT Alphaville

Person of Interest 2025: the longlist

The FT Alphaville article "Person of Interest 2025: the longlist" highlights key individuals and entities under scrutiny or facing potential cancellation in the coming year. While not directly focused on market data, the piece underscores the growing impact of reputational risk on financial markets, particularly in sectors sensitive to regulatory and social pressures. Investors and quants should note the increasing importance of monitoring ESG factors and public sentiment as these can influence asset flows and volatility. The article suggests that cancellation risks may affect positioning strategies, especially in equities and credit markets tied to highlighted individuals or firms.

Read more: <https://www.ft.com/content/6d1e1434-ddca-44cc-af66-8422fee0b0bf>

FT Alphaville

■ AI & Finance

Investors Pour \$230 Million Into Industrial AI and Insurance

Investors have injected \$230 million into startups integrating artificial intelligence (AI) within industrial and insurance sectors. Key applications include automating warehouse dock operations and enhancing cognitive performance tracking, alongside transforming insurance underwriting processes. This influx of

capital highlights growing market confidence in AI-driven operational efficiencies and risk assessment improvements. The funding surge may influence related equity and tech sector flows, signaling increased positioning in AI-focused industrial and insurance technology firms. Market participants should monitor developments for potential impacts on sector valuations and quant strategies leveraging AI advancements.

Read more: <https://www.pymnts.com/news/investment-tracker/2025/investors-pour-230-million-into-industrial-ai-and-insurance/>

pymnts.com

The Glorious Year of "Yeah, That's Not Gonna Happen"

The article from Psychology Today discusses a psychological perspective on self-improvement and enjoyment rather than financial or market data. It emphasizes shifting focus from perfectionism to embracing life's imperfections, which is more relevant to personal well-being than market dynamics. There are no specific references to market data, price action, policy changes, flows, or positioning that would impact trading or quantitative analysis. As such, this piece holds no direct relevance to financial markets or quant strategies.

Read more: <https://www.psychologytoday.com/us/blog/snow-white-doesnt-live-here-anymore/202512/the-glorious-year-of-yeah-thats-not-gonna-happen>

Psychology Today

■ Quant Keywords & Mini-Glossary

Separately Managed Accounts (SMAs) — [Individually managed investment accounts offering transparency and customization versus pooled funds.]

Asset Flows — [Movements of capital into or out of investment vehicles or sectors.]

Market Positioning — [The aggregate stance or exposure of investors in particular assets or sectors.]

Resistance Levels — [Price points where upward asset price movement tends to pause or reverse.]

Volatility — [Measure of price fluctuations or risk in an asset over time.]

Institutional Flows — [Capital movements driven by large investors like funds or institutions.]

On-Chain Activity — [Blockchain transaction data reflecting asset usage and investor behavior.]

Interest Rate Futures — [Derivatives contracts used to hedge or speculate on future interest rate changes.]

Mortgage Rates — [Interest rates charged on home loans, influencing housing affordability and demand.]

Price Targets — [Analysts' projected future prices for stocks or assets.]

Short Interest — [The total number of shares sold short, indicating bearish sentiment.]

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

Breakout Strategies — [Trading tactics that enter positions when prices move beyond established support or resistance.]

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

Risk Appetite — [Investors' willingness to take on risk in pursuit of returns.]

Flow and Positioning Shifts — [Changes in capital allocation and investor exposure affecting market dynamics.]

Price Volatility — [Degree of variation in asset prices over time, impacting risk assessments.]

Buy Points — [Technical levels signaling potential entry opportunities for traders.]

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

Volatility Risk — [The risk associated with unpredictable price swings in an asset.]

Quantitative Models — [Mathematical frameworks used to analyze financial data and forecast outcomes.]

Systematic Trading — [Automated trading based on predefined quantitative rules and models.]

Institutional Buying — [Purchases of securities by large entities, influencing market trends.]

Sector Positioning — [Investor exposure concentrated in specific industry sectors.]

Price Action — [The movement of an asset's price over time used for technical analysis.]