

Quant Daily Digest

■ Daily Overview

Macro & Sentiment Markets remain cautiously constructive amid ongoing innovation in AI-driven trading and crypto infrastructure. The launch of AIQuant's autonomous crypto bots across Solana, BNB Chain, and Base signals growing adoption of AI in decentralized finance, potentially increasing algorithmic trading volumes and market efficiency. Meanwhile, Qube's strategic pivot to integrate a human stock-picking team alongside its \$34 billion quant platform suggests a hybrid approach gaining traction, blending systematic rigor with discretionary insight. Crypto sentiment is steady, with Bitcoin holding near \$111K, reflecting balanced positioning ahead of futures expiry and key macro releases. Political noise around potential government shutdowns and high-profile firings adds a muted risk overlay but has yet to materially disrupt risk appetite. Equities / Rates Equity markets show selective interest in names with technical short-squeeze potential, exemplified by Recursion Pharmaceuticals (RXX), which may experience a dead-cat bounce given elevated short interest. Industrial names like Graco Inc. quietly outperform on operational execution, highlighting pockets of fundamental resilience. Rates markets remain range-bound, with no immediate Fed policy shifts expected despite political tensions involving Fed Governor Lisa Cook. The market is pricing in steady policy, focusing instead on macro data and geopolitical developments. FX & Commodities FX markets are subdued, with no major directional moves amid balanced risk sentiment. Crypto assets trade in a narrow range, supported by institutional initiatives such as Scilex's \$150 million Bitcoin investment and MSBFUND's creation of a crypto reserve system akin to central bank FX reserves, underscoring institutionalization trends in digital assets. What to Watch • Qube's human stock-picking team launch on Oct 1 — monitor for shifts in quant vs discretionary alpha generation. • Bitcoin futures expiry and related volatility in crypto markets. • US government shutdown risk and potential market impact on risk assets and rates.

■ Hot List

These AI Bots Will Trade Your Crypto Across Solana, BNB Chain and Base

AIQuant has launched AI-driven trading bots that operate autonomously 24/7 across multiple blockchains, including Solana, BNB Chain, and Base. The platform aims to simplify algorithmic trading by gamifying strategy development, potentially increasing retail participation in automated crypto trading. This cross-chain capability could enhance liquidity flows and arbitrage opportunities across these ecosystems. The use of AI may improve execution efficiency and adaptiveness to market conditions, impacting price action and volatility. The innovation reflects growing integration of AI in decentralized finance, with implications for quant strategies and market microstructure.

Read more: <https://decrypt.co/341348/ai-bots-trade-crypto-solana-bnb-chain-base>

Decrypt

\$34 billion quant hedge fund Qube is going live with a human stock-picking group next week

Qube, a \$34 billion London-based quantitative hedge fund, is launching a human stock-picking team starting October 1. The group will be led by former Balyasny executive Stephen Irvine. This move marks a strategic shift as Qube integrates discretionary stock selection alongside its quant-driven

models. Each analyst will have individual discretion, potentially impacting the fund's positioning and flow dynamics. The integration of human judgment may influence Qube's trading signals and market interactions, blending quantitative data with fundamental insights.

Read more: <https://biztoc.com/x/6275973a0ae309d2>

Biztoc.com

Looking for the Next Big Pop? Here's Why Recursion Pharmaceuticals (RXRX) Could Do a Dead-Cat Bounce

Recursion Pharmaceuticals (RXRX) has faced challenges this year, reflected in its weak price performance. However, the stock currently exhibits elevated short interest, signaling potential for a short squeeze or dead-cat bounce. Additionally, a key quantitative indicator suggests a near-term rebound, making RXRX a candidate for a short-term rally. Market participants should monitor short interest levels and quant signals closely, as these factors could drive increased volatility and price action. This setup may attract quant-driven trading strategies focused on mean reversion or short-covering dynamics.

Read more: <https://www.barchart.com/story/news/35033978/looking-for-the-next-big-pop-heres-why-recursion-pharmaceuticals-rxrx-could-do-a-dead-cat-bounce>

Barchart.com

Scilex Holding Company Announces \$150 Million Strategic Bitcoin Investment in Datavault AI

Scilex Holding Company (Nasdaq: SCLX) announced a \$150 million strategic investment in Datavault AI, focusing on Bitcoin-related technologies. This move signals Scilex's diversification into the cryptocurrency and AI sectors, potentially impacting its revenue streams and market positioning. The sizable allocation to Bitcoin investment highlights growing institutional interest and could influence related asset flows and sentiment in crypto markets. The announcement may prompt increased volatility in Scilex's stock and related digital asset prices as market participants reassess exposure to crypto-linked ventures. This development underscores the intersection of biotech and blockchain innovation in capital markets.

Read more: <https://www.globenewswire.com/news-release/2025/09/25/3156662/0/en/Scilex-Holding-Company-Announces-150-Million-Strategic-Bitcoin-Investment-in-Datavault-AI.html>

GlobeNewswire

MSBFUND Announces Strategic BTC Reserve Cooperation with Top Global Institutions, Building a Crypto Version of "Central Bank Foreign Exchange System"

MSBFUND.com has entered a strategic partnership with three major international asset managers to create a Bitcoin reserve system akin to a central bank foreign exchange reserve. This initiative aims to establish a compliant digital asset trading platform that supports institutional-level BTC reserves, potentially enhancing liquidity and stability in crypto markets. The collaboration signals growing institutional adoption and could influence BTC price dynamics through coordinated reserve management. This move may also impact crypto market flows and positioning by introducing a more structured, centralized approach to Bitcoin reserves, paralleling traditional FX reserve frameworks. Market participants should watch for changes in BTC supply-demand and institutional flow patterns.

Read more: <https://www.globenewswire.com/news-release/2025/09/25/3156611/0/en/MSBFUND-Anno-unces-Strategic-BTC-Reserve-Cooperation-with-Top-Global-Institutions-Building-a-Crypto-Version-of-Central-Bank-Foreign-Exchange-System.html>

GlobeNewswire

CoreWeave strikes \$6.5 billion deal with OpenAI to power next-gen AI models

CoreWeave announced a \$6.5 billion contract with OpenAI to provide infrastructure for next-generation AI models. Despite the sizable deal, CoreWeave's stock price remained flat, indicating the market may have already priced in the partnership or is awaiting further developments. The agreement highlights increased demand for AI-focused cloud computing resources, potentially boosting CoreWeave's revenue and market positioning in the AI infrastructure sector. This deal could influence sector flows, with investors possibly reallocating towards AI and cloud service providers. Monitoring CoreWeave's future earnings and contract execution will be critical for quant strategies focused on tech infrastructure.

Read more: <https://finance.yahoo.com/news/coreweave-strikes-65-billion-deal-with-openai-to-power-next-gen-ai-models-143554085.html>

Yahoo Entertainment

Wall Street indexes end higher as investors weigh inflation data

U.S. stocks closed higher Friday with the Dow up ~0.67%, S&P 500 +0.6%, and Nasdaq +0.4%, supported by steady inflation and strong consumer spending data. The August PCE Price Index showed inflation rose slightly, maintaining an annual rate of 2.7%, aligning with expectations. Consumer spending remains robust but concentrated, with the top 10% income earners accounting for 50% of expenditures, highlighting uneven economic strength. Notable movers included Electronic Arts, surging nearly 15% on potential privatization talks, and Paccar, up 5% following new U.S. tariffs on heavy-duty trucks. Five of the "Magnificent 7" tech giants closed higher, led by Tesla's 4% gain.

Read more: <https://finance.yahoo.com/video/wall-street-indexes-end-higher-222922042.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Stock Market Week Ahead: Tesla, Payrolls Data And A Peek At Q3 Earnings

The stock market is positioned for a positive close to September, supported by key data and earnings reports. Investors will focus on Tesla's performance and upcoming Q3 earnings, which could influence sector rotations and volatility. Monthly payroll data is expected to provide insights into labor market strength, impacting Fed policy expectations and bond yields. Nike's delivery updates will also be watched for consumer demand signals. Market positioning appears cautious ahead of these events, with flows likely adjusting based on economic data and corporate earnings outcomes. Overall, the week could see increased activity and directional shifts tied to these catalysts.

Read more: <https://finance.yahoo.com/m/d2129b7c-a288-3681-9252-0f50b3a924e3/stock-market-week-ahead%3A.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

AI Stocks Wobble As Spending Balloons. Another DeepSeek Dip, or a Dark Fiber Moment?

AI stocks experienced volatility amid rising data-center spending, raising concerns about potential overinvestment. Barclays analysts estimate that a sudden 20% drop in data-center investments would only reduce S&P 500 earnings estimates by 3% to 4%, suggesting limited broader market impact. This indicates that while AI-related capital expenditures are ballooning, the overall earnings sensitivity remains moderate. The market is weighing whether current tech spending resembles a temporary dip like DeepSeek or a structural shift akin to the dark fiber boom. Investors are closely monitoring positioning and flows in tech sectors amid these mixed signals.

Read more: <https://finance.yahoo.com/m/88a1dd81-45cb-3d95-8a50-86079fe58587/ai-stocks-wobble-as-spending.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Apple's 2025 gains, metals, bitcoin pricing: Market Takeaways

US major indexes (^DJI, ^IXIC, ^GSPC) ended Friday higher but closed the week lower, signaling a cooling AI-driven rally. Apple (AAPL) notably turned positive for 2025, reflecting improved forward-looking sentiment. Precious metals saw gains, suggesting increased demand or safe-haven flows amid market uncertainty. Bitcoin (BTC-USD) price dynamics were analyzed in the context of President Trump's second term, highlighting potential political impact on crypto positioning. These developments indicate shifting investor focus from tech-led momentum to diversified asset classes and geopolitical considerations.

Read more:

<https://finance.yahoo.com/video/apples-2025-gains-metals-bitcoin-211500938.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Stocks Rise After Investors Brush Off Sticky Inflation, Tariffs

Stocks rebounded on Friday, with the S&P 500 rising approximately 0.6% and the Dow Jones Industrial Average showing modest gains, ending a three-day losing streak. Investors appeared to overlook persistent inflation concerns and a new set of tariffs announced by President Trump. The market's positive price action suggests resilience despite ongoing macroeconomic uncertainties. This movement indicates potential shifts in positioning as traders digest the implications of tariffs and inflation data on corporate earnings and economic growth. Flow dynamics likely favored equities as risk appetite returned, reflecting confidence in the market's ability to absorb policy headwinds.

Read more: <https://finance.yahoo.com/m/310ee6ac-efa2-3317-9fb9-8e91ed2384b1/stocks-rise-after-investors.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

An Abu Dhabi EM debt record

Abu Dhabi's emerging market debt has reached a record tight spread, signaling strong investor demand and confidence in the region's creditworthiness. The spread compression reflects favorable macroeconomic conditions and robust fiscal management, attracting significant inflows into EM debt. This tightening contrasts with broader EM trends, where spreads remain more volatile amid global uncertainties. The data suggests a potential re-rating of Abu Dhabi's sovereign risk premium, impacting portfolio positioning and risk models for EM debt investors. Quant strategies may need to adjust for this divergence in regional credit spreads and associated volatility patterns.

Read more: <https://www.ft.com/content/32c88d78-6470-488a-bb1d-20ca99c3c122>

FT Alphaville

China's industrial policy is destroying its economy

China's extensive industrial subsidies are significantly distorting its economy, leading to inefficiencies and misallocation of resources. The policy, aimed at boosting strategic sectors, has resulted in overcapacity and reduced competitiveness, impacting global supply chains and trade dynamics. Market participants should monitor potential shifts in Chinese manufacturing output and export patterns as these distortions may prompt policy adjustments. The subsidy-driven environment could also influence commodity demand and pricing volatility, affecting related asset classes. Investors and quants should consider the implications for sectoral positioning and risk models tied to Chinese economic activity.

Read more: <https://www.ft.com/content/0b32d65b-6963-4e07-bb75-648ff8652a55>

FT Alphaville

Lifting the hood on First Brands' super high-yield SPE debt

First Brands has issued super high-yield debt through a special purpose entity (SPE), raising concerns about off-balance-sheet financing risks. The debt, characterized by elevated yields, suggests significant credit risk and potential hidden leverage not immediately visible on the parent company's balance sheet. Market participants are scrutinizing the structure for implications on credit spreads and default probabilities, as SPEs can obscure true financial health and complicate risk assessment. This issuance may impact pricing models and risk premia for similar high-yield instruments, highlighting the need for enhanced due diligence on off-balance-sheet exposures. The move could influence flows into high-yield debt and affect positioning strategies in credit markets.

Read more: <https://www.ft.com/content/fa10cd1f-6b4a-4e21-b258-6340c767a3fb>

FT Alphaville

■ Articles

The Most Important Skill in Finance

The article emphasizes the critical importance of adaptability and continuous learning in finance, especially for young professionals. It highlights how rapidly changing market conditions, evolving technologies, and shifting regulatory landscapes require finance professionals to constantly update their skills and knowledge. The piece suggests that those who can effectively analyze data, understand market dynamics, and adjust strategies accordingly will outperform peers. While not focused on specific market data or price action, the advice underscores the value of staying informed on policy changes and market flows to maintain a competitive edge. This skill is crucial for navigating complex financial environments and optimizing portfolio positioning.

Read more: <https://awealthofcommonsense.com/2025/09/the-most-important-skill-in-finance-2/>

Awealthofcommonsense.com

NovaQuant Agency Launches NQA Token - An AI + Blockchain Platform Aiming to Rewire Finance, Education and Philanthropy

NovaQuant Agency has launched the NQA Token, a new AI and blockchain-based platform designed to automate investment intelligence and enhance financial decision-making. The initiative aims to integrate advanced AI algorithms with decentralized blockchain infrastructure to improve transparency, efficiency, and security in finance, education, and philanthropy sectors. While specific tokenomics and market launch details remain undisclosed, the platform's focus on automated investment strategies could attract quant funds and algorithmic traders seeking innovative data-driven tools. This

development signals growing convergence between AI, blockchain, and financial markets, potentially influencing asset flows and positioning in digital assets.

Read more: <https://www.globenewswire.com/news-release/2025/09/25/3156421/0/en/NovaQuant-Agency-Launches-NQA-Token-An-AI-Blockchain-Platform-Aiming-to-Rewire-Finance-Education-and-Philanthropy.html>

GlobeNewswire

Is every comparison a thief of joy? Polish validation of the Iowa-Netherlands Comparison Orientation Measure and the indirect role of social comparisons in the relationship between emotional stability and the impostor phenomenon

The article discusses the validation of the Iowa-Netherlands Comparison Orientation Measure in a Polish context, focusing on social comparison's impact on self-perception and the impostor phenomenon. While primarily psychological, the findings highlight how emotional stability interacts with social comparison tendencies, indirectly influencing feelings of impostorism. This research may offer insights into behavioral patterns relevant for market sentiment analysis, particularly in understanding investor psychology and decision-making biases. However, it lacks direct financial data, price action, or policy implications.

Read more: <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0333095>

Plos.org

Graco Inc.: Quietly Outperforming Peers with Trust and Execution

Graco Inc. has demonstrated consistent outperformance relative to its industrial sector peers, driven by operational efficiency and strong customer loyalty. The company's niche market positioning and disciplined execution have contributed to steady revenue growth and margin expansion. Despite limited media attention, Graco's stock has shown resilience, reflecting investor confidence in its long-term strategy. There is no specific mention of recent price action, policy changes, or significant capital flows, but the firm's fundamentals suggest positive positioning for continued market outperformance.

Read more: <https://finance.yahoo.com/news/graco-inc-quietly-outperforming-peers-092911872.html>

Yahoo Entertainment

Bitcoin steady at \$111K as crypto market remains cautious

Bitcoin remains steady around \$111,000-\$112,000, trading in a range-bound manner amid cautious market sentiment driven by upcoming futures expiry and key macroeconomic data releases. Ethereum, BNB, and other altcoins exhibit mixed price action, reflecting selective trader interest rather than broad market conviction. BTC's support levels are holding firm, reinforcing bullish momentum for some participants despite overall market caution. The interplay of futures expiry and macro data is causing subdued volatility and restrained flows, with positioning likely conservative ahead of potential catalysts. This environment suggests traders are awaiting clearer directional signals before committing to larger moves.

Read more: <https://economictimes.indiatimes.com/markets/cryptocurrency/bitcoin-steady-at-111k-as-crypto-market-remains-cautious/articleshow/124107351.cms>

The Times of India

Here's what to know about a federal government shutdown

A potential federal government shutdown looms due to unresolved budget disputes, reminiscent of the shutdown during President Trump's first term over border wall funding. Such shutdowns typically disrupt government services and can delay economic data releases, impacting market liquidity and volatility. Investors may see increased risk premiums in Treasury yields and heightened volatility in equities and FX markets. Market positioning could shift towards safe-haven assets like U.S. Treasuries and the dollar amid uncertainty. The shutdown's duration and resolution will be key factors influencing short-term market dynamics and risk sentiment.

Read more: <https://www.cnbc.com/2025/09/26/government-shutdown-jobs-economy-trump.html>

US Top News and Analysis

Markets won't care if Trump fires Fed Governor Cook, DOJ tells Supreme Court

The DOJ informed the Supreme Court that markets are unlikely to react significantly if President Trump fires Fed Governor Lisa Cook amid her ongoing lawsuit challenging the dismissal. Cook has requested the Court to block the firing until the legal dispute is resolved. The case raises concerns about potential political interference in Federal Reserve governance, which could impact market confidence and policy stability. However, the DOJ downplays immediate market disruption, suggesting investors are focused more on broader economic data and Fed policy signals than individual personnel changes. Market positioning remains cautious amid ongoing Fed rate decisions and geopolitical uncertainties.

Read more: <https://www.cnbc.com/2025/09/26/trump-fed-cook-scotus-markets.html>

US Top News and Analysis

Trump calls for the firing of Lisa Monaco, Microsoft president of global affairs

President Donald Trump has publicly called for the firing of Lisa Monaco, Microsoft's President of Global Affairs, due to her previous role as a Biden administration law enforcement official. This political pressure introduces potential reputational and governance risks for Microsoft, which could impact investor sentiment and stock volatility. The news may influence market positioning around tech stocks, particularly those with significant government ties or regulatory exposure. Traders and quant models should monitor any shifts in Microsoft's share price and trading volumes as the situation develops. No immediate policy changes are indicated, but heightened scrutiny on corporate governance is a key factor.

Read more: <https://www.cnbc.com/2025/09/26/trump-calls-for-the-firing-of-lisa-monaco-microsoft-president-of-global-affairs.html>

US Top News and Analysis

Sinclair, Nexstar will bring 'Jimmy Kimmel Live' back to owned ABC stations on Friday

Sinclair and Nexstar, major broadcast station owners, have decided to resume airing "Jimmy Kimmel Live!" on their owned ABC stations after a brief three-day preemption period. This move may impact advertising flows and viewership ratings for ABC affiliates, potentially influencing local ad revenues and market positioning. The initial preemption and subsequent reinstatement highlight the sensitivity of content distribution agreements and their effect on broadcast station programming strategies. While

this development is primarily media-focused, it could have minor implications for media sector equities and advertising market dynamics.

Read more: <https://www.nbc.com/2025/09/26/sinclair-abc-jimmy-kimmel.html>

US Top News and Analysis

Musk, Thiel, Bannon named in partially redacted Epstein documents released by Democrats

House Democrats released partially redacted documents related to Jeffrey Epstein, revealing the names of high-profile individuals including Elon Musk, Peter Thiel, and Steve Bannon. The disclosures have sparked market attention due to potential reputational risks for these figures, who are influential in technology and political sectors. While no direct financial misconduct is indicated, the news could impact investor sentiment, particularly in tech stocks linked to Musk and Thiel. Market participants may monitor related equity volatility and potential shifts in tech sector flows. The broader implications for regulatory scrutiny and governance remain uncertain but noteworthy for risk assessments.

Read more: <https://www.cnbc.com/2025/09/26/musk-thiel-bannon-partially-redacted-epstein-files-democrats-release.html>

US Top News and Analysis

FTAV's Friday charts quiz

The FT Alphaville's Friday charts quiz highlights key market data and trends through visual analysis, focusing on price action and positioning across various asset classes. It emphasizes recent shifts in market sentiment and flow dynamics, illustrating how policy changes and economic indicators are influencing asset valuations. The charts reveal notable movements in equities, bonds, and currencies, reflecting investor responses to central bank signals and macroeconomic developments. Quantitative strategies can leverage these insights for better timing and risk management. The quiz format encourages market participants to interpret data-driven patterns for improved decision-making.

Read more: <https://www.ft.com/content/6a5d34dd-4834-4fb4-9292-eed8f48f7ed6>

FT Alphaville

B.R.E.A.M.

The article "B.R.E.A.M." from FT Alphaville explores the impact of urban street design on economic activity and real estate values. It highlights how the layout and connectivity of streets influence foot traffic, business performance, and property prices. The piece suggests that data on street patterns can be a valuable input for quant models assessing real estate investments and urban economic forecasts. While not directly tied to market prices or flows, the insights could inform alternative data strategies and spatial analytics in quant investing. No immediate policy changes or market moves are discussed.

Read more: <https://www.ft.com/content/a406f785-43c4-4026-9f83-c9ad9ca1f525>

FT Alphaville

■ AI & Finance

How GM John Schneider's 'Chasing Edges' Helped Build Seahawks Back Into Contention

The article details how Seahawks GM John Schneider utilized a strategy of "chasing edges" to rebuild the team into playoff contention. Schneider focused on identifying undervalued assets and leveraging data-driven insights to optimize player acquisitions and roster construction. This approach led to key moves, including signing quarterback Sam Darnold, aimed at improving team performance and depth. The strategy reflects a broader trend in sports management where analytics and market inefficiencies guide decision-making. While not directly financial market-related, the emphasis on data and value-driven trades parallels quantitative investment principles.

Read more: <https://www.foxsports.com/stories/nfl/chasing-edges-how-gm-john-schneider-built-seahawks-back-playoff-contender>

Fox Sports

■ Quant Keywords & Mini-Glossary

Arbitrage — [Profiting from price differences of the same asset across different markets or chains.]

Liquidity Flows — [Movement of capital that affects market depth and trading ease.]

Execution Efficiency — [Effectiveness of trade execution minimizing costs and slippage.]

Volatility — [Degree of variation in asset prices over time.]

Short Interest — [Amount of an asset's shares sold short, indicating bearish sentiment or squeeze potential.]

Short Squeeze — [Rapid price increase forcing short sellers to cover, fueling further price rises.]

Dead-Cat Bounce — [Temporary recovery in a declining asset's price before continuing downtrend.]

Mean Reversion — [Tendency of asset prices to return to their historical average.]

Positioning — [Current allocation or exposure of investors or funds in various assets.]

Flow Dynamics — [Patterns and volume of buying and selling activity influencing price movements.]

Spread Compression — [Narrowing difference between yields or prices, indicating reduced risk premium.]

Risk Premium — [Extra return demanded by investors for taking on additional risk.]

Sovereign Risk Premium — [Additional yield investors require to hold government debt over risk-free assets.]

Credit Spread — [Difference in yield between corporate or sovereign bonds and risk-free benchmarks.]

Macro Data — [Economic indicators like inflation, employment, and spending that influence markets.]

Inflation — [Rate at which general price levels rise, eroding purchasing power.]

PCE Price Index — [Personal Consumption Expenditures measure of inflation used by the Fed.]

Sector Rotation — [Shifting investment allocations between industry sectors based on economic outlook.]

Volatility Surface — [Graph showing implied volatility across option strike prices and maturities.]

Order Flow Imbalance — [Disparity between buy and sell orders impacting short-term price moves.]

Value at Risk (VaR) — [Estimate of potential loss in portfolio over a given time frame at a confidence level.]

Implied vs Realized Volatility — [Market's expected volatility versus actual observed price fluctuations.]

Term Premium — [Extra yield investors require for holding longer maturity bonds.]

Algorithmic Trading — [Use of automated systems and algorithms to execute trades based on predefined criteria.]

Cross-Chain Trading — [Executing trades across multiple blockchain networks to exploit opportunities.]