

Quant Daily Digest

■ Daily Overview

Macro & Sentiment Manufacturing-focused mutual funds underperformed in 2025, primarily due to heavy small-cap exposure amid broader market strength in large-cap manufacturing stocks. This divergence signals ongoing investor caution toward smaller industrial firms despite sectoral tailwinds. Retail traders, however, had a banner year in 2025, now rotating buying interest into energy stocks, reflecting a tactical sector shift amid macro uncertainties. Bitcoin remains near \$90,000, consolidating ahead of key US jobs data and a Supreme Court ruling on global tariffs, underscoring cautious risk sentiment in crypto markets. Equities / Rates Quant Small Cap Fund's December portfolio moves—adding Adani Green Energy and exiting LIC—highlight a defensive, liquidity-focused stance amid small-cap volatility. Large-cap manufacturing gains contrast with small-cap struggles, suggesting a bifurcated equity landscape. AI adoption continues to drive thematic interest, with Truist identifying select stocks poised for upside, reinforcing tech sector differentiation. Rates markets remain range-bound, awaiting US labor data for directional cues. FX & Commodities Gold and silver opened flat to slightly higher, reflecting cautious positioning ahead of US jobs data. The metals' resilience amid global volatility suggests ongoing safe-haven demand. Energy sector inflows from retail traders may support crude prices, though geopolitical tensions in the Middle East add risk premium uncertainty. What to Watch • US January jobs report for labor market and Fed policy implications • Supreme Court decision on global tariffs impacting trade-sensitive assets • Geopolitical developments in the Middle East and potential market spillovers

■ Hot List

Manufacturing funds stumble in 2025

In 2025, manufacturing-focused mutual funds underperformed primarily due to their significant exposure to small-cap stocks, which lagged behind the broader market. While large-cap stocks within the manufacturing sector posted strong gains, the small-cap segment's weakness dragged overall fund performance down. This divergence highlights the impact of market capitalization positioning on sector fund returns. Investors in manufacturing funds faced challenges as small-cap volatility and underperformance outweighed large-cap strength. The data underscores the importance of cap-weighted exposure in sector-specific investment strategies for 2025.

Read more: <https://www.thehindubusinessline.com/portfolio/mutual-funds/manufacturing-funds-stumble-in-2025/article70489785.ece>

BusinessLine

Quant Small Cap Fund: LIC and Adani Green Energy among stocks bought and sold in December

In December, Quant Small Cap Fund adjusted its portfolio by adding Adani Green Energy while completely exiting LIC, signaling a strategic shift. The fund maintained a defensive stance, emphasizing liquidity and a calibrated approach to small-cap exposure. These selective changes suggest a cautious outlook amid market volatility, focusing on stocks with potential growth and liquidity. The fund's moves reflect a balance between risk management and targeted stock selection in the small-cap segment. This repositioning may impact flows and positioning in these names within the small-cap space.

Read more: <https://m.economictimes.com/mf/analysis/quant-small-cap-fund-lic-and-adani-green-energy-among-stocks-bought-and-sold-in-december/quant-small-cap-fund/slideshow/126449415.cms>
Economictimes.com

Bitcoin hovers around \$90,000 as investors await US jobs data and Supreme Court decision on global tariffs

Bitcoin remained near \$90,000 as investors awaited key US jobs data and a Supreme Court decision on global tariffs, signaling cautious market sentiment. The broader cryptocurrency market showed mixed performance, reflecting consolidation amid ETF outflows. Analysts noted that geopolitical uncertainties and regulatory developments are contributing to subdued trading volumes and restrained positioning. Market participants appear to be in a wait-and-see mode, balancing potential impacts from macroeconomic data and policy decisions. This environment suggests limited directional momentum until clearer signals emerge from upcoming events.

Read more: <https://economictimes.indiatimes.com/markets/bitcoin-hovers-around-90000-as-investors-await-us-jobs-data-and-supreme-court-decision-on-global-tariffs/articleshow/126430860.cms>

The Times of India

Retail traders had one of their best years ever in 2025. Here's what they're buying now

Retail traders experienced one of their strongest years in 2025, driving significant market activity. Following this momentum, retail investors are currently concentrating their buying power on energy stocks, reflecting a shift in sector preference. This surge in energy sector demand aligns with broader market trends influenced by rising oil prices and geopolitical factors. The increased retail participation is impacting price action and liquidity in energy equities, suggesting potential volatility and trading opportunities. Market positioning data indicates a notable tilt towards energy, which could influence short-term sector performance and flow dynamics.

Read more: <https://www.cnbc.com/2026/01/08/retail-traders-buying-energy-oil.html>

CNBC

AI Adoption Could Lift These 2 Stocks Higher, Says Truist

Truist highlights two stocks poised for gains driven by AI adoption following the rapid growth in generative AI since OpenAI's ChatGPT launch over three years ago. The report suggests these companies are well-positioned to benefit from increased AI integration, potentially impacting their earnings and market valuations. While specific names are not detailed, the emphasis on AI-related growth signals potential sector rotation or increased investor interest in tech stocks with AI exposure. This could influence flow dynamics and positioning in tech-heavy indices. Market participants may watch these stocks for momentum and volatility shifts tied to AI developments.

Read more: <https://finance.yahoo.com/news/ai-adoption-could-lift-2-111026954.html>

Yahoo Entertainment

Trump is weighing options against Iran: Reports

Reports indicate that former President Trump is considering actions against Iran amid ongoing political unrest in the Middle East. Iran has warned of retaliation should the U.S. intervene, escalating geopolitical tensions. This development could impact oil prices and increase volatility in energy markets.

due to potential supply disruptions. Investors may adjust positioning in risk assets and safe havens like gold and the USD. Market participants should monitor geopolitical risk premiums and flow shifts in commodities and currencies linked to Middle East stability.

Read more: <https://www.cnbc.com/2026/01/11/trump-iran.html>

US Top News and Analysis

Allegiant to buy rival budget airline Sun Country in \$1.5 billion cash and stock deal

Allegiant Travel Company announced a \$1.5 billion cash and stock acquisition of rival budget carrier Sun Country Airlines. The deal aims to consolidate market share amid rising operational costs and increased domestic capacity post-pandemic. Both airlines have faced margin pressures due to higher fuel prices and labor expenses. The combined entity is expected to enhance route efficiency and leverage scale to improve profitability. Market reaction showed modest gains in Allegiant shares, reflecting investor optimism about cost synergies and competitive positioning in the budget airline sector. The transaction highlights ongoing consolidation trends in U.S. domestic aviation.

Read more: <https://www.cnbc.com/2026/01/11/allegiant-sun-country-deal.html>

US Top News and Analysis

Boeing's airplane deliveries are the highest in 7 years. Now it's about to pick up the pace

Boeing is on track to achieve its highest airplane deliveries since 2018, signaling a strong recovery in its production capabilities. The company plans to announce an increase in production rates later this month, aiming to accelerate output further. This uptick in deliveries and production pace could positively impact Boeing's revenue and supply chain dynamics. Market participants should watch for updates on production targets and order backlogs, which may influence Boeing's stock performance and related aerospace sector equities. The improved delivery momentum also reflects broader demand trends in commercial aviation.

Read more: <https://www.cnbc.com/2026/01/11/boeing-plane-deliveries-production-pace.html>

US Top News and Analysis

Dow Jones Futures Fall; JPMorgan, Goldman, Delta, Taiwan Semi Ahead

Dow Jones futures declined ahead of key earnings reports from JPMorgan, Goldman Sachs, Delta Air Lines, and Taiwan Semiconductor, signaling cautious investor sentiment despite recent market highs. Market participants are also focused on upcoming inflation data and two major conferences that could influence policy outlooks. Additionally, a potential ruling on Trump-era tariffs is expected to impact trade-related sectors. These events are likely to drive volatility and affect positioning, particularly in financials, tech, and industrials. The combination of earnings, macroeconomic data, and geopolitical developments is shaping near-term market dynamics and flow patterns.

Read more: <https://finance.yahoo.com/m/4b46cb61-5537-3f77-8a86-2784a83a1040/dow-jones-futures-fall%3B.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Costco (COST) Added to Mizuho Top Picks After Pullback

Mizuho upgraded Costco Wholesale Corporation (NASDAQ:COST) to Outperform from Neutral, citing an overdone recent pullback in the stock. The firm added Costco to its top picks list and raised the price target to \$1,000, reflecting confidence in the consumer staples retailer's resilience and dividend appeal. This upgrade aligns with broader market interest in stable dividend-paying consumer staples amid volatility. The stock's price action suggests a potential rebound, supported by positive analyst sentiment and improved positioning. Investors may view this as a signal to increase exposure to Costco amid current market conditions.

Read more: <https://finance.yahoo.com/news/costco-cost-added-mizuho-top-221248339.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

The US is taking control of Venezuela and targeting Greenland. The Dow could still hit 50,000

The US is intensifying geopolitical tensions by targeting Venezuela and threatening to take Greenland, actions that could impact global markets. Despite these developments, the US economic outlook remains uncertain, highlighted by a weak jobs report that raises concerns about growth momentum. Market participants are weighing these geopolitical risks alongside domestic economic data, which may influence Federal Reserve policy decisions. The Dow Jones Industrial Average is still projected by some analysts to reach 50,000, reflecting optimism amid volatility. Investors are closely monitoring flows and positioning as geopolitical and economic factors interplay.

Read more:

<https://www.cnn.com/2026/01/11/business/dow-50000-record-venezuela-greenland-us?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

How GE Vernova's 'Good Times' Could Mean Bad Times for Its Stock

Baird analyst Ben Kallo downgraded GE Vernova from Buy to Hold, citing concerns despite the company's positive operational outlook. He also reduced the price target sharply by \$167, bringing it down to \$649 per share. This adjustment reflects caution around the stock's valuation and potential near-term headwinds. The downgrade signals a shift in sentiment that could impact investor positioning and trading flows. Market participants may reassess exposure to GE Vernova amid these revised expectations.

Read more: <https://finance.yahoo.com/m/da33b42d-360e-3b16-b683-28e0d053e6d2/how-ge-vernova%E2%80%99s-%E2%80%98good-times%E2%80%99.html?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

Wall Street S&P; 500 targets reveal hidden trap for SPY investors

Wall Street analysts project a bullish outlook for the S&P; 500 in 2026, with price targets suggesting continued gains. However, the consensus optimism may mask underlying risks for SPY investors, as historical patterns show that absolute bullish forecasts often precede market corrections or volatility spikes. This cautionary note highlights the importance of monitoring positioning and flow data, as excessive bullish sentiment can lead to crowded trades and potential sharp reversals. Quant strategies should consider these sentiment extremes and incorporate risk controls to navigate potential traps embedded in consensus targets.

Read more:

<https://www.thestreet.com/investing/analysts-sp-500-targets-reveal-a-major-problem?.tsrc=rss>

Yahoo! Finance: ^GSPC ^IXIC ^DJI News

■ Articles

speterlin-crypto 1.0.5

The speterlin-crypto 1.0.5 Python package offers a comprehensive suite for quantitative trading in cryptocurrencies, integrating APIs from major exchanges Kucoin and Binance. It supports both cold storage for asset security and hot storage for active spot and derivatives trading. Additionally, the package incorporates data feeds from Coin Market Cap, CoinGecko, and other sources, enabling enhanced market data analysis and strategy development. This tool facilitates streamlined execution and portfolio management for crypto quant traders, potentially improving responsiveness to market flows and positioning. Its multi-exchange and multi-data integration make it relevant for algorithmic trading and risk management in volatile crypto markets.

Read more: <https://pypi.org/project/speterlin-crypto/1.0.5/>

Pypi.org

speterlin-stocks 1.1.0

The speterlin-stocks 1.1.0 Python package offers a comprehensive suite of quant-trading tools focused on US stocks, integrating multiple data sources and brokerage APIs. It supports Alpaca brokerage for USD asset management and 2x margin trading on NYSE and NASDAQ, enabling leveraged strategies. The package aggregates financial data from Financial Modeling Prep, Google Trends, Yahoo Finance, and Google Finance, facilitating multi-source analysis for market sentiment and fundamentals. This integration allows quants to develop, backtest, and execute algorithmic trading strategies with real-time data and brokerage execution capabilities. The tool is relevant for quant traders seeking streamlined access to diverse datasets and margin-enabled trading.

Read more: <https://pypi.org/project/speterlin-stocks/1.1.0/>

Pypi.org

Data Update 1 for 2026: The Push and Pull of Data!

The blog post titled "Data Update 1 for 2026: The Push and Pull of Data!" does not provide specific financial market data, price action, policy updates, or flow information relevant to market or quant analysis. It appears to be a general commentary without concrete quantitative details or actionable insights for trading or investment strategies. No mention of positioning, asset classes, or economic indicators is made that would impact market behavior or quant models. Therefore, it lacks material content for market participants focused on data-driven decision-making.

Read more:

<https://www.blogger.com/comment/fullpage/post/8152901575140311047/1807025299296313298>

Blogger.com

More efficiency, more demand

The article highlights increasing demand for software engineers and data scientists driven by efficiency gains in technology and data utilization. As companies seek to optimize operations and leverage AI, the need for skilled professionals in these fields is rising, impacting labor markets and potentially influencing tech sector valuations. This trend suggests sustained investment in tech talent and innovation, which could affect market flows into technology stocks and related ETFs. Quant strategies may benefit from focusing on tech sector momentum and talent-driven growth indicators. The evolving

landscape underscores the importance of data-driven decision-making in portfolio management.

Read more: <https://mikefisher.substack.com/p/more-efficiency-more-demand>

Substack.com

quant-lens added to PyPI

The Python package "quant-lens" has been added to PyPI, offering a zero-dependency quantization diagnostic toolkit for neural networks. This tool is relevant for quant-focused market participants leveraging machine learning models, as it facilitates efficient model compression and performance diagnostics without additional dependencies. By enabling streamlined quantization analysis, quant-lens can help improve the deployment of neural networks in latency-sensitive trading algorithms and risk models. Its availability on PyPI ensures easy integration into existing Python-based quant workflows, potentially enhancing model robustness and computational efficiency. No direct market data or price action is involved, but the tool supports quant infrastructure development.

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

PyPI.org

Gold, silver prices open flat ahead of crucial US data. Should you buy now or wait?

Gold and silver prices on MCX opened flat to slightly higher, reflecting cautious market sentiment ahead of key US jobs data. Despite global volatility, bullion prices remain supported by long-term fundamentals and ongoing central bank purchases. Analysts recommend waiting for clearer market direction before entering positions, given the potential for volatility around the US employment report. The subdued price action suggests traders are positioning cautiously, awaiting data-driven cues that could influence safe-haven demand and impact precious metals flows. Overall, the market is in a holding pattern pending critical US economic indicators.

Read more: <https://economictimes.indiatimes.com/markets/commodities/news/gold-silver-prices-open-flat-ahead-of-crucial-us-data-should-you-buy-now-or-wait/articleshow/126426802.cms>

The Times of India

ICE Minneapolis shooting: Noem to deploy hundreds more federal agents to city

Homeland Security Secretary Kristi Noem announced plans to deploy hundreds more federal agents to Minneapolis following a shooting incident at an ICE facility, which she labeled as an act of domestic terrorism. Minneapolis Mayor Jacob Frey disputes this characterization, highlighting tensions between federal and local authorities. The increased federal presence could impact local security dynamics and potentially influence market sentiment around regional stability and law enforcement policies. No immediate market price action or flow data has been reported in response to the announcement. The situation remains fluid, with potential implications for government spending and security sector equities.

Read more: <https://www.cnn.com/2026/01/11/ice-minneapolis-shooting-noem.html>

US Top News and Analysis

Walmart teams up with Google's Gemini to make it easier for shoppers to find and buy products

Walmart has partnered with Google's Gemini AI to enhance its shopping experience, integrating advanced AI tools to help customers find and purchase products more efficiently. This collaboration follows Walmart's existing AI initiatives, including a deal with OpenAI's ChatGPT and its proprietary chatbot, Sparky. The move highlights Walmart's strategic investment in AI-driven retail technology to boost customer engagement and streamline online shopping. Market implications include potential increased e-commerce sales and competitive pressure on retail peers to adopt similar AI solutions. This partnership may also influence tech sector stocks tied to AI advancements and retail innovation.

[Read more:](#)

<https://www.cnn.com/2026/01/11/walmart-partners-with-google-gemini-on-shopping-tool.html>

US Top News and Analysis

Investing with gifs: a visual guide

The FT Alphaville article "Investing with gifs: a visual guide" explores the concept of meme reversion in financial markets, highlighting how meme stocks and assets often experience sharp price corrections after initial surges driven by retail investor enthusiasm. The piece underscores the importance of recognizing these patterns for quantitative strategies, as meme-driven price action can lead to heightened volatility and rapid shifts in positioning. It suggests that monitoring social media sentiment and retail flow data can provide early signals of potential reversals. The article serves as a reminder for quants to incorporate behavioral and sentiment indicators alongside traditional metrics to better navigate meme-induced market dynamics.

[Read more: https://www.ft.com/content/9b1ff0b8-a1e8-4869-8d61-620c5ed32d35](https://www.ft.com/content/9b1ff0b8-a1e8-4869-8d61-620c5ed32d35)

FT Alphaville

If a jobs report leaks on a social media platform no one uses, does it move the market?

An FT Alphaville article examines the impact of leaked jobs reports on obscure social media platforms and their influence on market movements. It highlights that leaks on less-followed platforms tend to have minimal immediate market impact due to limited visibility and slower information dissemination. The piece underscores the importance of data flow channels and market participants' positioning in reacting to economic data. It also suggests that the timing and platform of data release can affect volatility and price action in equities and fixed income markets. Overall, the study emphasizes the nuanced role of information distribution in shaping market responses to economic indicators.

[Read more: https://www.ft.com/content/7ea95bfc-4c3a-4d5a-be21-c28b40f4c020](https://www.ft.com/content/7ea95bfc-4c3a-4d5a-be21-c28b40f4c020)

FT Alphaville

FTAV's Friday charts quiz

The FT Alphaville Friday charts quiz presents a series of financial charts designed to test readers' knowledge of market trends, data points, and economic indicators. While the article itself is interactive and educational, it highlights key market themes such as equity price movements, bond yield fluctuations, and currency trends. The quiz format encourages analysis of recent policy impacts, flow dynamics, and positioning shifts across asset classes. Although no direct market-moving news is provided, the charts reflect ongoing volatility and investor sentiment in global markets. This resource is valuable for quants and market participants seeking to sharpen their data interpretation skills.

[Read more: https://www.ft.com/content/074f73ac-21d1-4985-bea2-ae646144d826](https://www.ft.com/content/074f73ac-21d1-4985-bea2-ae646144d826)

FT Alphaville

FTAV's further reading

The FT Alphaville article titled "FTAV's further reading" covers diverse topics including the digitization of niche communities ("nerddom"), the concept of "clicktatorship" in digital media, and UBS's analysis on the risks associated with being single, likely touching on demographic and economic implications. While not directly focused on market data or price action, the UBS insights may influence long-term demographic-driven investment strategies. The piece provides qualitative context rather than quantitative market signals or flows, offering thematic perspectives relevant for macro and behavioral analysts. No immediate market-moving data or policy updates are highlighted.

Read more: <https://www.ft.com/content/d6a5c474-67e8-4d26-8457-4d80325e9be6>

FT Alphaville

Did Taylor Swift give UK GDP a big boost? Sorry, we still have no idea

Taylor Swift's recent UK tour sparked speculation about a potential boost to UK GDP, but concrete data remains elusive. While localized economic activity, such as increased spending in hospitality and transport sectors, likely saw a temporary uplift, the overall impact on national GDP is unclear. Analysts highlight challenges in isolating the tour's effect from broader economic trends and seasonal factors. Market participants remain cautious, as the event-driven boost may not translate into sustained economic growth or influence monetary policy decisions. The episode underscores difficulties in quantifying short-term, localized events within macroeconomic data.

Read more: <https://www.ft.com/content/ae1a7b67-efda-4793-96be-40027483d1d2>

FT Alphaville

■ AI & Finance

Everything we know about how Wall Street's biggest firms, from JPMorgan to Blackstone, are adopting AI

Major Wall Street firms including JPMorgan, Goldman Sachs, Citi, and Blackstone are actively integrating AI to enhance operational efficiency and reduce manual tasks. These institutions are exploring AI's potential to cut costs and streamline workflows, particularly in data analysis and trading strategies. The adoption of AI tools is expected to influence job roles, with a focus on automating repetitive "grunt work" while augmenting decision-making processes. This shift may lead to changes in workforce positioning and could impact market dynamics through faster, data-driven trading and risk management. The trend underscores a broader move towards technology-driven finance, potentially affecting liquidity and market behavior.

Read more:

<https://www.businessinsider.com/how-wall-street-is-using-ai-jpmorgan-goldman-citi-blackstone>

Business Insider

From Alarm Clocks To Minimal Phones: How Mudita Is Building A Calm “Anti-■Ecosystem” For Digital Detox

The article discusses Mudita, a company creating minimalist tech products aimed at digital detox, contrasting with the broader tech industry's focus on engagement. While not directly related to financial markets, the trend toward mindfulness and minimalism could influence consumer tech demand and

sector rotation. Investors might watch for shifts in tech hardware sales and emerging niches emphasizing wellbeing over connectivity. No immediate market data, price action, or policy changes are noted. The story highlights evolving consumer preferences that could impact tech sector positioning and flows over time.

Read more: <https://www.yankodesign.com/2026/01/09/from-alarm-clocks-to-minimal-phones-how-mudita-is-building-a-calm-anti-ecosystem-for-digital-detox/>

Yanko Design

CEOs reveal how they train their bodies and minds for the 'marathon' job, from playing chess to 'energy management'

The article discusses how CEOs prepare mentally and physically for the demands of their roles, highlighting activities like playing chess, skiing, and focusing on energy management. While not directly related to market data or financial flows, understanding CEO behavior can provide insights into leadership stability and decision-making under pressure, which indirectly impacts market sentiment and corporate performance. The emphasis on mental resilience and strategic thinking may influence company strategies and risk management approaches. However, the piece lacks specific financial metrics, price action, or policy changes relevant to quantitative trading or market positioning.

Read more:

<https://fortune.com/2026/01/09/ceos-train-bodies-minds-chess-skiing-energy-management/>

Fortune

■ Quant Keywords & Mini-Glossary

Market Capitalization Positioning — [Allocation of investments based on company size like small-cap vs large-cap affecting fund returns.]

Small-Cap Volatility — [Price fluctuations typical in smaller companies causing higher investment risk.]

Liquidity — [Ease of buying or selling assets without causing significant price changes.]

Portfolio Rebalancing — [Adjusting asset weights in a portfolio to maintain desired risk and return.]

ETF Outflows — [Investors withdrawing money from exchange-traded funds, impacting market liquidity.]

Geopolitical Risk Premium — [Extra expected return investors demand for risks from political events.]

Sector Rotation — [Shifting investment focus between sectors based on economic or market trends.]

Market Positioning — [Aggregate investor exposure and sentiment toward specific assets or sectors.]

Price Action — [Movement of asset prices over time used to analyze market trends and volatility.]

Flow Dynamics — [Patterns of capital moving into and out of markets or asset classes.]

Volatility — [Degree of variation in asset prices indicating risk and uncertainty.]

Risk Management — [Strategies to identify, assess, and mitigate financial risks.]

Margin Trading — [Using borrowed funds to increase investment exposure and potential returns.]

Earnings Impact — [Effect of company profits on stock valuation and investor sentiment.]

Price Target — [Analyst forecast of a stock's future price used for investment decisions.]

Dividend Appeal — [Attractiveness of stocks due to regular dividend payments.]

Safe Haven Assets — [Investments like gold or USD expected to retain value during market stress.]

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

Production Rate — [Speed at which a company manufactures goods, affecting revenue forecasts.]

Supply Chain Dynamics — [Interactions and efficiencies in the production and delivery process impacting costs.]

Crowded Trades — [Investment positions held by many investors, increasing risk of sharp reversals.]

Sentiment Extremes — [Periods of overly bullish or bearish investor outlooks that may precede market corrections.]

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

Quantization Diagnostics — [Techniques to optimize machine learning models for faster, efficient trading algorithms.]

Macro Data Impact — [Influence of economic indicators like jobs reports on market movements.]