

Compute

Institutional Equity Research
February 6, 2026

Don't Count Anyone Out of the Frontier AI Race

Earlier today, Anthropic and OpenAI released new versions of their flagship models, Opus 4.6 and GPT-5.3-Codex. Below, we summarize our initial takeaways from these two releases and will be providing an updated Vitruvian Score readout with additional thoughts soon.

Both models are great, so let's not prematurely count any frontier lab out of the race. Truth be told, no one should be operating under the assumption that OpenAI was behind, nor should that be the case for any other lab. Yes, the frontier race is incredibly dynamic and the competition between Anthropic, DeepMind, and OpenAI has been relentless, but there never should have been any doubt that OpenAI as a frontier lab was anywhere but at the front alongside their counterparts. Over the past couple of months GPT-5.2 has been one of our favorite models, while also being one of the highest performers on our internal benchmark. Not to mention that many researchers and engineers we've spoken with like using GPT-5.2 (xhigh) as much as they like using models like Opus 4.5 and Gemini 3. And look, we dislike cherry picking benchmark scores as much as the next person, but for illustrative purposes (since most will solely look at scores), Opus 4.6 reported a Terminal-Bench 2.0 score of 65.4%, while GPT-5.3-Codex one-upped Anthropic with a score of 77.3% just minutes later. Point being that we can pick numbers to tell almost any story, but the reality is that the question of "who is winning the frontier AI race" is far more nuanced than the social media zeitgeist.

Larger models are getting better at the most economically relevant tasks. As we stated in our 6-for-26 predictions report ([see here](#)), models are going to be using increasingly more compute which will tangentially lead to higher performance in economically relevant domains that require both strong long-horizon and agentic capabilities. And already in our initial assessments of these models, Opus 4.6 for example is meaningfully outperforming all previous models that we've tested across various examinations that test for qualities such as critical thinking, coding, and creativity. We'd even point towards various reported benchmarks such as GDPVal (economically relevant tasks) where Opus improved from 1416 with 4.5 to 1606 with 4.6, or ARC-AGI-2 (critical thinking) where Opus improved from 37.6% on 4.5 to 68.8% with 4.6.

GPT-5.3-Codex is the first Blackwell model we've seen. At least at first glance, GPT-5.3-Codex has made what we view as a notable step-up from the previous generation, with the efficiency gains of the model itself that should not go understated. And while efficiency gains don't impact raw intelligence of the model, we would point towards potential adoption of the model in harnesses like Codex where GPT-5.3-Codex uses 48% of the tokens of its predecessor while being served at 25% higher tokens-per-second. So not only are users technically getting far more utility per dollar spent, but they're also getting those tokens served as faster rates, which we expect to support Codex adoption and keep it a serious competitor to Claude Code.

The trajectory of intelligence is continuing to accelerate faster than most appreciate. By no means should we write off an AI 2027 trajectory. With GPT-5.3-Codex, OpenAI stated that it was the first model that was instrumental in developing itself, with the Codex team using earlier versions of the model to debug training, manage its deployment, and diagnose test results and evals. Anthropic has stated that Opus 4.6 has saturated the majority of their automated evaluations for AI R&D performance, with the model achieving a 427x speedup on kernel optimizations, outperforming the 300x threshold for 40 human expert hours of work. The reality is that we are right on track, if not slightly ahead of previously anticipated timelines. We may even have too long of a timeline on the credible AI research intern (which we predicted to be in 2H26). Add in what could be the early inklings of continual learning or recursive self-improvement this year, we believe we could be setting up for a notable acceleration in progress.

INDUSTRY UPDATE

Price (2/5/26)

Industry:

TECHNOLOGY

Alexander Platt

(503) 603-3045

AJPlatt@dadco.com

DaVinci Overview

D.A. Davidson's DaVinci initiative focuses our technical-oriented research, data-driven insights, and prescient think pieces under one unified framework. We note that for our DaVinci coverage of deep tech businesses, we employ an early-stage venture approach focusing on technical foundations, disruptive potential, and long-term strategic value, rather than near-term financial and valuation metrics given the unique growth trajectories of pre-inflection markets.

This report is intended for AJPlatt@dadco.com. Unauthorized distribution prohibited.



Copyright D.A. Davidson & Co., 2026. All rights reserved.

Potential Risks

Required Disclosures

D.A. Davidson & Co, or any of its affiliates, does or seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

D.A. Davidson & Co. is a full service investment firm that provides both brokerage and investment banking services. Alexander Platt, the research analyst principally responsible for the preparation of this report has received and is eligible to receive compensation, including bonus compensation, based on D.A. Davidson's overall operating revenues, including revenues generated by its investment banking and institutional equities activities. D.A. Davidson & Co.'s analysts, however, are not directly compensated for involvement in specific investment banking transactions.

I, Alexander Platt, attest that (i) all the views expressed in this research report accurately reflect my personal views about the common stock of the subject company, and (ii) no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Rating Information

D.A. Davidson & Co.'s Institutional Research Rating Scale Definitions (maintained since October 10, 2017); information regarding our previous definitions is available upon request:

BUY: Expected to produce a total return of over 15% on a risk adjusted basis over the next 12-18 months

NEUTRAL: Expected to produce a total return of -15% to +15% on a risk adjusted basis over the next 12-18 months

UNDERPERFORM: Expected to lose value of over 15% on a risk adjusted basis over the next 12-18 months

| Rating Distribution (as of 12/31/25) | Coverage Universe Distribution | | | Investment Banking Distribution | | |
|--------------------------------------|--------------------------------|-----|----------|---------------------------------|-----|----------|
| | IR | WMR | Combined | IR | WMR | Combined |
| BUY (Buy) | 60% | 85% | 63% | 8% | 0% | 8% |
| NEUTRAL (Hold) | 40% | 13% | 36% | 4% | 0% | 3% |
| UNDERPERFORM (Sell) | 0% | 2% | 1% | 0% | 0% | 0% |

IR denotes Institutional Research; WMR denotes Wealth Management Research whose rating scale is Buy/Add, Neutral, Sell/Reduce. Investment Banking Distribution denotes companies from whom D.A. Davidson & Co. has received compensation in the last 12 months. Best-of-Breed: Expected to outperform on a risk adjusted basis over a five-year time horizon.

Target prices are our Institutional Research Department's evaluation of price potential over the next 12 months, based upon our assessment of future earnings and cash flow, comparable company valuations, growth prospects and other financial criteria. Certain risks may impede achievement of these price targets including, but not limited to, broader market and macroeconomic fluctuations and unforeseen changes in the subject company's fundamentals or business trends.

While the Best-of-Breed designation does not contain a separate rating and/or price target from that of the standard ratings system referenced above, the expectation is that the security, based on the 12 criteria utilized in assessing the "Best-of-Breed" designation, will outperform over a five-year time horizon, not the standard 12-18 month time horizon.

For a copy of the most recent reports containing all required disclosure information for covered companies referenced in this report, please contact your D.A. Davidson & Co. representative or call 1-800-755-7848.

Other Disclosures

Information contained herein has been obtained by sources we consider reliable, but is not guaranteed and we are not soliciting any action based upon it. Any opinions expressed are based on our interpretation of data available to us at the time of the original publication of the report. These opinions are subject to change at any time without notice. Investors must bear in mind that inherent in investments are the risks of fluctuating prices and the uncertainties of dividends, rates of return and yield. Investors should also remember that past performance is not necessarily an indicator of future performance and D.A. Davidson & Co. makes no guarantee, express or implied, as to future performance. Investors should note this report was prepared by D.A. Davidson & Co.'s Institutional Research Department for distribution to D.A. Davidson & Co.'s institutional investor clients and assumes a certain level of investment sophistication on the part of the recipient. Readers, who are not institutional investors or other market professionals, should seek the advice of their individual investment advisor for an explanation of this report's contents, and should always seek such advisor's advice before making any investment decisions. Consensus estimates are obtained from Capital IQ. Further information and elaboration will be furnished upon request.

Other Companies Mentioned in this Report

| Company Name | Ticker | Rating | Price |
|-----------------------------|--------|---------|----------|
| Apple Inc. | AAPL | NEUTRAL | \$275.91 |
| Amazon.com, Inc. | AMZN | NEUTRAL | \$222.69 |
| CoreWeave, Inc. | CRWV | BUY | \$74.65 |
| Alphabet Inc. | GOOGL | NEUTRAL | \$331.25 |
| Meta Platforms, Inc. | META | BUY | \$670.21 |



| Company Name | Ticker | Rating | Price |
|-----------------------|--------|---------|----------|
| Microsoft Corporation | MSFT | BUY | \$393.67 |
| Nebius Group N.V. | NBIS | BUY | \$73.87 |
| NVIDIA Corporation | NVDA | BUY | \$171.88 |
| Oracle Corporation | ORCL | NEUTRAL | \$136.48 |

This report is intended for AJPlatt@dadco.com. Unauthorized distribution prohibited.