Attention on Insider Trading: EDGAR Visits, Investor Sophistication, and Informational Advantage

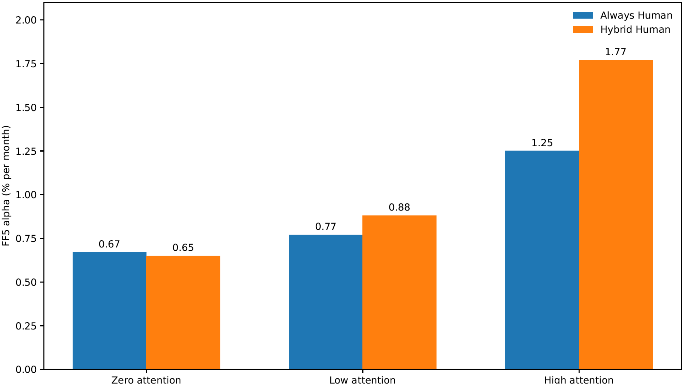
Mingzhi Du

Discussant: Boone Bowles

Midwest Finance Association

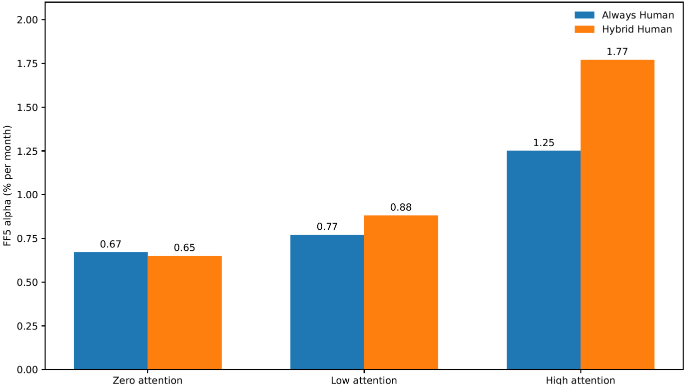
March 14, 2026

The paper in one slide



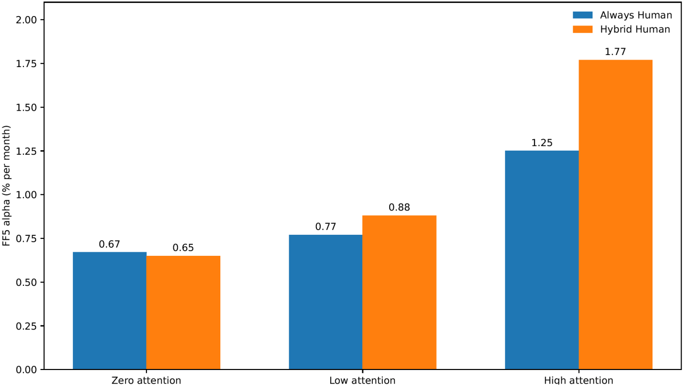
- Insider **purchases** with more **EDGAR attention** earn **higher next-month abnormal returns**.

The paper in one slide



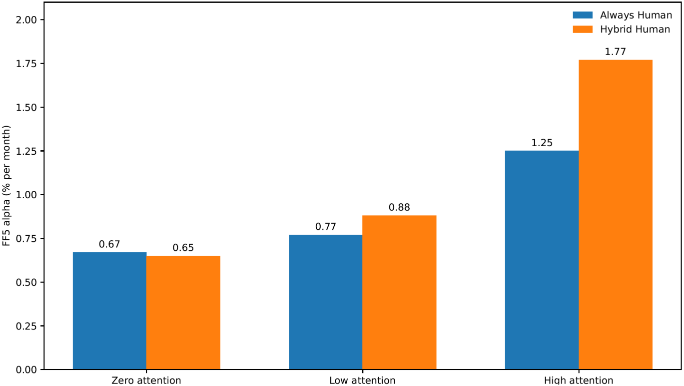
- Insider **purchases** with more **EDGAR attention** earn **higher next-month abnormal returns**.
- The relation is **steeper for hybrid human + machine attention** than for always-human attention.

The paper in one slide



- Insider **purchases** with more **EDGAR attention** earn **higher next-month abnormal returns**.
- The relation is **steeper for hybrid human + machine attention** than for always-human attention.
- **Interpretation:** sophisticated investors seem better able to identify the most informative Form 4s quickly.

The paper in one slide



- **Big picture:** public information still creates rents when some investors know which disclosures are worth reading. (Especially true for the Cyborgs!)

Major Point 1: Sharpen the Overall Pitch

What I like: The paper already has a strong central idea. My suggestion is not to change the paper, but to condense the pitch so the main economic point comes through more clearly.

Current pitch: several related ideas

Attention to Form 4 disclosures matters

Sophisticated investors identify better filings

Hybrid human–machine attention may be even better

Broader implications for disclosure effectiveness

Major Point 1: Sharpen the Overall Pitch

What I like: The paper already has a strong central idea. My suggestion is not to change the paper, but to condense the pitch so the main economic point comes through more clearly.

Current pitch: several related ideas

Attention to Form 4 disclosures matters

Sophisticated investors identify better filings

Hybrid human–machine attention may be even better

Broader implications for disclosure effectiveness

One sharper economic point

Even when insider-trading disclosures are public, sophisticated investors still have an edge because they are better at identifying which Form 4 filings are actually informative.

Why this helps

- Easier to summarize.
- Contribution feels more economic and less list-like.
- The results reinforce one central mechanism.

Major Point 1: Sharpen the Overall Pitch

What I like: The paper already has a strong central idea. My suggestion is not to change the paper, but to condense the pitch so the main economic point comes through more clearly.

Current pitch: several related ideas

Attention to Form 4 disclosures matters

Sophisticated investors identify better filings

Hybrid human–machine attention may be even better

Broader implications for disclosure effectiveness

One sharper economic point

Even when insider-trading disclosures are public, sophisticated investors still have an edge because they are better at identifying which Form 4 filings are actually informative.

Concrete, doable ask

- Lead with the one-sentence version on the right as the paper's main pitch.
- Treat hybrid attention and the information-asymmetry results as supporting evidence.

Major Point 2: Tighten the Main Empirical Design

What I like: The core fact is interesting and plausible. My suggestion is not to replace the current results, but to add one cleaner core test that maps more tightly into the mechanism.

Current design bundles together

Which filings attract attention?

When do prices react?

Who is behind that attention?

My read: the portfolio evidence is a good start, but it is a little hard to tell exactly what attention is doing.

Major Point 2: Tighten the Main Empirical Design

What I like: The core fact is interesting and plausible. My suggestion is not to replace the current results, but to add one cleaner core test that maps more tightly into the mechanism.

Current design bundles together

Which filings attract attention?

When do prices react?

Who is behind that attention?

My read: the portfolio evidence is a good start, but it is a little hard to tell exactly what attention is doing.

One cleaner core test

Keep the portfolio results, but add one filing-level / event-study style test with continuous attention and tighter timing.

Why this helps

- Easier to see the mechanism.
- Easier to separate selection from price discovery.
- Better match between the real-time story and the empirical design.

Major Point 2: Tighten the Main Empirical Design

What I like: The core fact is interesting and plausible. My suggestion is not to replace the current results, but to add one cleaner core test that maps more tightly into the mechanism.

Current design bundles together

Which filings attract attention?

When do prices react?

Who is behind that attention?

My read: the portfolio evidence is a good start, but it is a little hard to tell exactly what attention is doing.

Concrete, doable ask

Keep the portfolio results, but add one cleaner event-level test.

- Add one filing-level / event-study style test with a continuous attention measure.
- Tighten the main timing window (same day / next day), with the longer window as robustness.
- Be very clear about standard errors, counts, and portfolio construction.

Major Point 3: Make the Most Novel Result Land

What I like: I think this can be the coolest part of the paper. The hybrid result is novel and memorable. My suggestion is to keep leaning into it, but tighten the identification so the result is even easier to buy.

Current hybrid proxy uses

Past bot-like activity

Current human-like access on the focal Form 4

Exact IP matching

My read: this is a sensible first pass, but timing and local-network structure matter.

Major Point 3: Make the Most Novel Result Land

What I like: I think this can be the coolest part of the paper. The hybrid result is novel and memorable. My suggestion is to keep leaning into it, but tighten the identification so the result is even easier to buy.

Current hybrid proxy uses

Past bot-like activity

Current human-like access on the focal Form 4

Exact IP matching

My read: this is a sensible first pass, but timing and local-network structure matter.

One way to make this result stand out more

Show more clearly that "hybrid" really means machine screening + nearby human interpretation, not just a historical bot flag on an IP address.

Why this helps

- Hybrid easier to buy.
- Results feel like identification and less like labeling.
- Helps the novelty stand out and survive review.

Major Point 3: Make the Most Novel Result Land

What I like: I think this can be the coolest part of the paper. The hybrid result is novel and memorable. My suggestion is to keep leaning into it, but tighten the identification so the result is even easier to buy.

Current hybrid proxy uses

Past bot-like activity

Current human-like access on the focal Form 4

Exact IP matching

My read: this is a sensible first pass, but timing and local-network structure matter.

Concrete, doable ask

Lean into this result, but tighten how hybrid IPs are identified.

- Require more recent bot history — e.g., same day, week, month, or quarter — not just "at some point" in the past.
- Add local-network robustness: same 3 octets / same ZIP or location / same-day bot and human activity nearby.

Minor Points (mostly for the authors)

Empirical details

- Clarify the main attention window.
- Add filing / portfolio counts to the main tables.
- State exactly how the t-stats are computed.
- Show subsamples (e.g., 2010–2017).

Interpretation / follow-up

- Investigate why the results are in buys but not sells.
- Formally test whether indirect > direct and low-coverage > high-coverage.
- Consider an additional outcome such as future volatility, turnover, or media pickup.

Recap

Bottom line: I enjoyed this paper. I think it asks a good question, uses a novel setting, and has a result — especially the hybrid-attention result — that can really stand out.

What I like most

- A creative and interesting setting: Form 4 attention in EDGAR.
- A clear and intuitive economic idea.
- A novel result on hybrid human–machine attention.
- Nice evidence that the effects are stronger when information is harder to process.

My 3 main suggestions

- Sharpen the overall pitch around one central economic point.
- Add one cleaner core test that maps more tightly into the mechanism.
- Lean into the hybrid result and tighten how it is identified.

Recap

Bottom line: I enjoyed this paper. I think it asks a good question, uses a novel setting, and has a result — especially the hybrid-attention result — that can really stand out.

What I like most

- Creative, interesting setting: Form 4 attention in EDGAR.
- Clear and intuitive economic idea.
- A novel result on hybrid human–machine attention.
- Nice evidence that the effects are stronger when information is harder to process.

Why I am optimistic

- The paper already has the ingredients of a strong contribution.
- The main asks are doable and would make the paper sharper, cleaner, and more convincing.
- These comments should help the paper stand out, not change what the paper is about.

Overall: a promising paper with a novel setting and a memorable result. With a sharper pitch and a bit more support around the core mechanism and hybrid-attention measure, I think it can be even stronger.