Publication: Financial Advisor Magazine
Date: 15 January 2014
Headline: Sell-Side Analysts Most Useful When Most Are Wrong

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January 15, 2014

Equity analysts work harder when economies and financial markets are slumping. They also have more influence over stocks -- even though their earnings forecasts are less accurate.

Economists Roger K. Loh and Rene M. Stulz, studying analyst reports from 1983 to 2011, concluded that greater uncertainty and career concerns amid recessions and market crises mean projections are tougher to make and prove less accurate. Even so, harder times push investors to rely on them more for guidance and so increase the usefulness of analysis.

The paper, published by the National Bureau of Economic Research in Cambridge, Massachusetts, focused on analysis by sell-side firms, a term referring to banks and similar institutions that sell financial products.

The economists studied what happens to a stock in the days following a change in recommendation during what they labeled bad times. That included the October 1987 stock market crash and the credit crisis of 2007 to 2009.

“While their forecasts are less accurate during bad times, analysts are more active and their forecast and recommendation revisions are more influential,” said Loh of Singapore Management University and Stulz of Ohio State University. “Consequently, our evidence shows that analysts are more valuable in bad times.”