

Zacks Insider Rank

Since June 2007, Zacks Investment Research has collected information on insider stock transactions. We have developed a way to analyze those transactions in aggregate over one to six month periods in order to predict which stocks traded by insiders will outperform the market over the subsequent three to six months.

Number Of Insider Transaction Factors

Over a dozen insider indicators have been identified related to agreement in terms of the number of buy versus sell transactions, magnitude in terms of the total change in insider holdings, and transaction size.

Grouping

Stocks are divided into six fractal groups based on the raw factor scores. In the performance table below, the groups "High Buying Activity" and "Medium Buying Activity" have been combined.

Study Constraints

- » **Universe:** Top 3000 Common Stocks based on Market Cap
- » **Rebalance:** Quarterly
- » **Holding Period:** 3 Months
- » **Time Period:** September 2007 – December 2022



Insider Rank

	1 & 2 High & Medium Buying Activity	3 Low Buying Activity	4 No Activity	5 Medium Selling Activity	6 High Selling Activity
Avg # of Stocks	38	537	1782	440	140
Avg Quarterly Return	3.0%	2.65%	2.23%	2.30%	1.92%
Annualized Avg Return	12.53%	11.03%	9.21%	9.51%	7.92%
Standard Deviation	28.98%	26.44%	22.68%	22.87%	20.96%