From Man + Machine to Man + Machine: The art and AI of stock analyses

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1. **What are the research questions?**
   - Would Man + Machine perform better than Man + Machine in stock analyses?If yes, why?
2. **Why are the research questions interesting?**
   - While AI aims to augment human intelligence, existing literature largely focuses on 'Man vs Machine'.
   - It's proved that AI can help more humans become better chess players
     - It stands to reason that it can help more of us become better at many skilled jobs.
     - Stock analysts are key market intermediaries, requiring both institutional knowledge and data analytics.
3. **What is the paper's contribution?**
   - Literature on the competition and threat to human workers posed by new technology including robots and AI.
     - Prior: highlight how AI innovations disrupt many high-skill jobs
     - Ext: focuses on humans' relative advantage over machines and, more importantly, the potential synergies between humans and machines.
   - Literature on the impact of big data and AI in the financial industry
     - Prior: Jansen et al. (2023); Cao et al. (2023b); Pagliaro et al. (2023)...
     - Ext: Explore the internal mechanism of the AI process, and aim to identify their relative advantages to, as well as synergies with, humans
   - Literature of building and assessing the performance of ML models in financial applications
     - Prior: predicting asset prices (Gu et al., 2020, Brogaard and Zareei, 2022)...
     - Ext: Explore the complementary value humans can offer in the age of AI
4. **What hypotheses are tested in the paper? list them explicitly**
   - H1:Man + Machine perform better than Man + Machine in stock analyses
   - H2: AI analyst is stronger when info is more transparent and voluminous, but human analysts remain competitive when critical info requires institutional knowledge.

   (a) **Do these hypotheses follow from and answer the research questions?**
   Yes

   (b) **Do these hypotheses follow from theory or are they otherwise adequately developed?**
   - Smaller and more illiquid firms firms are subject to higher information asymmetry and require better institutional knowledge or industry experience to decipher.
5. **Sample: comment on the appropriateness of the sample selection procedures**
   - Using a large set of of as the inputs of AI is appropriate.
6. **Dependent and independent variables: the appropriateness of variable definition and measurement**

- Concise and reasonable.

7. **Regression/prediction model specification: the appropriateness of the regression/prediction model specification**
    - History analysts' forecasts are public info, which should be contained in the ML inputs.
8. **What difficulties arise in drawing inferences from the empirical work**
    - The empirical word is rigorous
9. **Describe at least one publishable and feasible extension of this research**
    - Other skilled jobs:Credit Analysts...