Summary of *CHATGPT AND CORPORATE POLICIES*

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1. **What are the research questions?**

   - Can an advanced AI model (ChatGPT) help understand corporate policies?

   - Does ChatGPT-extracted offer new insights beyond Tobin q⋯, and how affect return?

2. **Why are the research questions interesting?**

   - Investment policies are key to corporate growth and aggregate fluctuations: q-theory.

   - One way convey policy information:earnings conference calls

     – challenge:long and large,8000 words & thousands of companies

     – difficult to extract complicated information (expected investment policy)

   - ChatGPT take long sophisticated questions and provide detailed,sophisticated answers

3. **What is the paper's contribution?**

   - first paper use ChatGPT extract expectations of corporate policies from earnings calls

     – **Prior**: textual analysis(Jha et al, 2021); ChatGPT analyze sentiments of news headlines;examine redundant in conference calls(Lopez and Tang, 2023⋯)

   - provides a new, real-time measure of expected investment, complements q measures

     – **Prior**: Tobin q empirical weak- accurate q:GMM,bond prices,intangible capital

     – **Extend**: AI-based score provide new information for future invest opportunities

   - contribute on literature of managerial and firm expectations.

     – **Prior**: Surveys can obtain agents' beliefs,expectation,relate to corporate policies

     – **Extend**: complement existing surveys, provide a large sample data and tool

4. **What hypotheses are tested in the paper?**

   - H1: ChatGPT help understand corporate policies from calls

   - H2: AI-predicted help predict future investment, future returns, analyst forecasts.

   Do these hypotheses follow from theory? Explain logic of the hypotheses.

   - q depends on market capitalization and may not include all private information, so AI-predicted indicators can improve estimates of future investment opportunities.

5. **Sample: comment on the appropriateness of the sample,variable,model**

   - 2007-2020,74586 calls,5 level score.skip quarter t + 1,too long?

6. **What difficulties arise in drawing inferences from the empirical work?**

   - Compare with a text analysis-based investment score benchmark?

7. **Describe at least one publishable and feasible extension of this research.**

   - apply ChatGPT to analyze corporate policies beyond investment, such as M&A strategies or ESG policies.

   - Examine the real-time stock return reactions