E Internet Appendix: Additional empirical results

Table E.1: **Determinants of Analyst Coverage with Lag Attention**

This table reports the coefficients of the following regression:

$$\begin{aligned}\text{N. Analyst}_{i,t} = {} & \beta_1 \text{Ln(MCAP)}_{i,t} + \beta_2 \text{Attention}_{i,t} + \beta_3 \text{Turnover}_{i,t} + \beta_4 \text{Book-to-Market}_{i,t} \\ & + \beta_5 \text{ROA Corr}_{i,t} + \beta_6 \text{R\&D}_{i,t} + \beta_7 \text{IO}_{i,t} + \beta_8 \text{Age}_{i,t} \\ & + \beta_9 |\text{Return}|_{i,t} + \beta_{10} \text{Return}_{i,t} + \beta_{11} \text{Volatility}_{i,t} + \alpha_i + \alpha_t + \epsilon_{i,t},\end{aligned}$$

where i is a U.S. stock and t is a yearly observation. N. analyst is the average number of unique analyst providing quarterly earnings forecast over year t. Ln(MCAP) is the natural logarithm of the market value of the firm on fiscal year end t. Attention is the average newsheat score from Bloomberg Terminal over year t. Turnover is the average monthly share turnover over year t. Book-to-Market is calculated on fiscal year end t. ROA PCorr corresponds to the partial correlation on return-on-asset among stocks within the same industry. R&D is the research and development scaled by the logarithm of total sale. IO is average the institutional ownership coverage on year t (in percent). Age is the number of years since first listed on CRSP. Return and |Return| is the yearly return and absolute return on year t. Volatility is the annualized daily volatility on year t. All the variables standardized. Industry and Year correspond to industry (four-digit GIC codes) and year fixed-effects. The sample period is from 2012 to 2019.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln MCAP	1.826***		1.310***	2.890***	2.877***	2.711***	2.710***	2.794***
	(0.116)		(0.145)	(0.352)	(0.333)	(0.256)	(0.289)	(0.285)
Attention		4.712***	2.386***	1.466***	1.578***	1.439***	1.449***	1.403***
		(0.320)	(0.335)	(0.335)	(0.260)	(0.231)	(0.262)	(0.259)
YrAvgTURN_lag						0.998***	0.959***	0.974***
						(0.174)	(0.181)	(0.193)
Book-to-Market							0.093	0.027
							(0.112)	(0.123)
ROA PCorr							-0.001	0.001
							(0.066)	(0.067)
R&D							0.120	0.117
							(0.141)	(0.138)
IO							0.086	0.058
							(0.076)	(0.077)
Age							-0.236***	-0.247***
							(0.074)	(0.076)
|Return|								0.108***
								(0.039)
Return								-0.403***
								(0.044)
Volatility								-0.142*
								(0.073)
N	26,141	26,141	26,141	26,141	26,141	26,141	26,141	26,141
Adjusted-R^2	0.662	0.537	0.747	0.586	0.598	0.629	0.631	0.636
Year F.E.	N	N	N	N	Y	Y	Y	Y
Industry F.E.	N	N	N	Y	Y	Y	Y	Y

Table E.2: **Determinants of Analyst Coverage Excluding Stocks with No Coverage**

This table reports the coefficients of the following regression excluding stocks with no analyst coverage:

$$\begin{aligned}\text{N. Analyst}_{i,t} = {} & \beta_1 \text{Ln(MCAP)}_{i,t} + \beta_2 \text{Attention}_{i,t} + \beta_3 \text{Turnover}_{i,t} + \beta_4 \text{Book-to-Market}_{i,t} \\ & + \beta_5 \text{ROA Corr}_{i,t} + \beta_6 \text{R\&D}_{i,t} + \beta_7 \text{IO}_{i,t} + \beta_8 \text{Age}_{i,t} \\ & + \beta_9 |\text{Return}|_{i,t} + \beta_{10} \text{Return}_{i,t} + \beta_{11} \text{Volatility}_{i,t} + \alpha_i + \alpha_t + \epsilon_{i,t},\end{aligned}$$

where i is a U.S. stock and t is a yearly observation. N. analyst is the average number of unique analyst providing quarterly earnings forecast over year t. Ln(MCAP) is the natural logarithm of the market value of the firm on fiscal year end t. Attention is the average newsheat score from Bloomberg Terminal over year t. Turnover is the average monthly share turnover over year t. Book-to-Market is calculated on fiscal year end t. ROA PCorr corresponds to the partial correlation on return-on-asset among stocks within the same industry. R&D is the research and development scaled by the logarithm of total sale. IO is average the institutional ownership coverage on year t (in percent). Age is the number of years since first listed on CRSP. Return and |Return| is the yearly return and absolute return on year t. Volatility is the annualized daily volatility on year t. All the variables standardized. Industry and Year correspond to industry (four-digit GIC codes) and year fixed-effects. The sample period is from 2012 to 2019.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln MCAP	1.798***		1.254***	2.274***	2.279***	2.285***	2.377***	2.644***
	(0.110)		(0.066)	(0.184)	(0.195)	(0.164)	(0.160)	(0.157)
Attention		5.172***	2.588***	1.889***	1.892***	1.704***	1.675***	1.563***
		(0.379)	(0.282)	(0.217)	(0.224)	(0.207)	(0.211)	(0.205)
Turnover						0.899***	0.894***	0.866***
						(0.184)	(0.183)	(0.192)
Book-to-Market							0.872*	0.286
							(0.478)	(0.622)
ROA PCorr							0.112*	0.114**
							(0.058)	(0.056)
R&D							0.222	0.187
							(0.266)	(0.259)
IO							-0.051	-0.060
							(0.038)	(0.043)
Age							-0.200***	-0.222***
							(0.072)	(0.069)
|Return|								0.236***
								(0.042)
Return								-0.789***
								(0.052)
Volatility								-0.054
								(0.075)
N	23,038	23,038	23,038	23,038	23,038	23,038	23,038	23,038
Adjusted-R^2	0.709	0.598	0.794	0.562	0.563	0.591	0.593	0.605
Year F.E.	N	N	N	N	Y	Y	Y	Y
Industry F.E.	N	N	N	Y	Y	Y	Y	Y

Table E.3: **Determinants of Analyst Coverage: Partial Correlation**

This table reports the sample linear partial correlation between pairs of variables (the determinants to analyst and the number of analyst coverage), controlling for the remaining variables. Partial correlation N. analyst is the average number of unique analyst providing quarterly earnings forecast over year t. Ln(MCAP) is the natural logarithm of the market value of the firm on fiscal year end t. Attention is the average newsheat score from Bloomberg Terminal over year t. Turnover is the average monthly share turnover over year t. Book-to-Market is calculated on fiscal year end t. ROA PCorr corresponds to the partial correlation on return-on-asset among stocks within the same industry. R&D is the research and development scaled by the logarithm of total sale. IO is average the institutional ownership coverage on year t (in percent). Age is the number of years since first listed on CRSP. Return and $|\text{Return}|$ is the yearly return and absolute return on year t. Volatility is the annualized daily volatility on year t. Industry and Year correspond to industry and year fixed-effects. The sample period is from 2012 to 2019.

	N. Analyst	Ln MCAP	Attention	Turnover	BM Ratio	ROA PCorr	R&D	IO	Age	|Return|	Return	Volatility
N. Analyst	1											
Ln MCAP	0.31	1										
Attention	0.47	0.20	1									
Turnover	0.26	-0.06	0.08	1								
BM Ratio	-0.07	0.25	-0.07	-0.11	1							
ROA PCorr	-0.02	0.27	-0.07	0.04	0.12	1						
R&D	0.03	0.07	0.17	-0.04	-0.08	-0.04	1					
IO	0.05	0.61	-0.18	0.26	-0.08	0.01	-0.05	1				
Age	-0.08	0.35	0.08	-0.06	0.02	0.10	0.03	-0.05	1			
|Return|	-0.01	0.00	-0.01	0.14	0.07	0.03	-0.01	-0.03	0.01	1		
Return	-0.07	0.18	0.00	-0.13	-0.11	-0.05	0.00	-0.02	-0.05	0.60	1	
Volatility	-0.18	0.28	-0.14	0.38	0.02	0.05	0.02	-0.14	-0.06	0.49	-0.31	1