Please run the files based on the order listed below to replicate the results in the paper:

- 01 Guidance/quarterly_ols_sample_construction20191216.sas

This file defines guidance decisions based on rdq (earnings announcement date).

Then this file matches the guidance decision data with crsp. We keep information from 5 days before the rdqlag to **90 days** after the rdq.

Input data: det_guidance (download);

IBESCRSPLINK.dta (download);

IBESGuideCRSPLINK.dta (download);

ccmq00to17_20180227 (download);

Output data: GUIDECCM20191216.dta

crspdateprice_bundled_20191216.dta

- 02 Controls/Controls20181217.sas

This file computes quarterly variables commonly used for compustat-crsp merged universe.

1. Market-adjusted stock return
2. Return on assets
3. Standard deviation of raw stock returns
4. Number of unique analysts issuing EPS forecasts during the current quarter
5. Institutional ownership at the end of a quarter
6. Earnings surprise
7. Loss indicator
8. Size and log size
9. Leverage
10. MTB and BTM

Input data:

- Compustat quarterly;
- Compustat company header (only XS): /wrds/comp/sasdata/d_na/company;

- IBES detail;

- CRSP daily;

- CRSP stocknames;

****

- TR: The stock ownership file is 'Thomson Reuters Stock Ownership' file at the bottom of Thomson Reuters page in WRDS.

The data is only updated until 2016.12.

****

Output data:

Controls20191216.dta

- 03 Factor and Size

This folder computes factor loadings and size portfolio returns and size cutoffs.

Input data:

ME_Breakpoints.csv (size portfolio cut-off points by month and 5 percent increment), Portfolios_Formed_on_ME_daily.csv (daily size portfolio return).

crspdateprice_bundled_20191216.dta, created by 01 Guidance/quarterly_ols_sample_construction20191216.sas

Output data:

DailySize20191216.dta: **daily** value weighted return of three size-portfolios.

SizeCut20191216.dta: **monthly** cut-off points for the three size-portfilios.

FactorBetas20191216.dta:

- 04_RDQ_AfterHour20191216.sas

This file adjusts the earnings announcement date based on the IBES time stamp.

Input data:

- IBES_Actual197001to201803_20181124.dta (download)

- GUIDECCM20191216.dta, created by 01 Guidance/quarterly_ols_sample_construction20191216.sas.

Output data

- rdq_ibes20191216.dta

- 05 XS: MarkitBorrowingCost20191216.sas

This file processes Markit data to create a measure of short-selling constraints.

Input data:

markit, stocknames20181104

Output data:

markit_bc20191216.dta

- 07 Merge: disclosure_new_20191216.do

This file computes cumulative stock returns and EA returns and combines the control variables

Input data:

- GUIDECCM20191216.dta, created by quarterly_ols_sample_construction20191216
- crspdateprice_bundled_20191216.dta
- Controls20191216, created by Controls20191216.sas
- FactorsRF19260701to20181031_20181204.dta (download)
- rdq_ibes20191216.dta
- SizeCut20191216.dta
- DailySize20191216.dta
- FactorBetas20191216.dta

Output data:

- final_EPS_2.dta
- final_EPS_20191216_2.dta

- 07 Merge: regsample20191216.do

This file creates the regression sample for our main results. This file calls two sas files:

1. RP_merge.sas
2. PastNG3y.sas

Input data:

- final_EPS_20191206_2.dta

- final_EPS_2.dta

- CRSP_Compustat_Merged_LinkingTable.dta

- RavenPack20181110/rp20020101to20171231_20181210.dta

- markit_bc20181110.dta

Output data:

- /CalendarTrading_DisclosureData_20191216.dta

- final_EPS_regression_bundled_long_ChangeInControl20191216_wide.dta

- 08 Trading: CalendarTrading_Daily20191216.sas

- 08 Trading: CalendarTrading20191216.sas

These files produce calendar trading data in Table 10.

- 09 Robustness: quarterly_ols_sample_construction20191216_pseudordq.sas

This file produces data for robustness checks in Table 12.