# Article information:

Hedging against embarrassment - ScienceDirect  
<https://www.sciencedirect.com/science/article/pii/S0167268115001183>

# Article summary:

1. This paper examines the impact of expected disclosure to peers of an individual investor's financial performance on their stock-trading decisions.

2. A lab experiment was conducted in which participants traded in incentivized stock market simulations, knowing that their financial performance would be either made public or kept private.

3. Results showed a significant increase in the disposition effect when financial performance is to be made public, likely due to individuals’ strategic attempt to hedge against the embarrassment of ending the trading session at the bottom of the performance ranking.

# Article rating:

Appears well balanced: The article presents the information in a reliable and balanced way, without biases and prejudices. The claims made in the article are well supported and, where applicable, all sides of the argument are given opportunity to present their point of view. The article appears trustworthy and reliable.

# Article analysis:

The article “Hedging against Embarrassment” by ScienceDirect is a well-researched and reliable source for understanding how investors may behave differently when they know that their financial performance will be made public compared to when it is kept private. The authors provide evidence from a lab experiment conducted with 63 students, showing that there is a significant increase in the disposition effect when financial performance is expected to be made public. The authors also provide theoretical arguments and evidence from related research to support their findings.

The article does not appear to have any major biases or one-sided reporting, as it presents both sides of the argument fairly and objectively. It also provides sufficient evidence for its claims and explores counterarguments where necessary. Furthermore, it does not contain any promotional content or partiality towards any particular viewpoint, and possible risks are noted throughout the article.

In conclusion, this article can be considered trustworthy and reliable as it provides an objective analysis of how investors may behave differently when they know that their financial performance will be made public compared to when it is kept private.

# Topics for further research:

* Investor behavior in public markets
* Disposition effect in finance
* Impact of public disclosure on investment decisions
* Risk management strategies for investors
* Behavioral finance research
* Financial performance disclosure regulations

# Report location:

<https://www.fullpicture.app/item/8703a15fe937f5154b7765192faa21af>