LLM-Based Pure Management Sentiment in Earnings Communication Conferences and Stock Returns

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Abstract. This study focuses on the impact of pure management sentiment on short-term stock returns. Using A-share listed companies in China from 2014 to 2023 as the research sample, this study employs the Qwen large language model to analyze textual information from earnings communication conferences and conducts an empirical analysis using the pure management sentiment indicator constructed by stripping out firm fundamentals and stock performance. The results indicate that pure management sentiment significantly boosts short-term stock returns. This positive impact is further strengthened by the quality of interactions and the level of industry competition, and is more evident in private companies and those with smaller market capitalizations. Furthermore, the results show that pure management sentiment influences short-term stock returns by increasing investors' sentiment.

Keywords: Pure Management Sentiment, Earnings Communication Conferences, Stock Returns, Large Language Model.

1 Introduction

The rapid advancement of large language models (LLMs) has enabled more accurate extraction of management sentiment from unstructured text, overcoming the contextual limitations of traditional dictionary-based approaches [1]. Unlike traditional dictionary-based methods, which assign fixed sentiment weights to individual words irrespective of context, the LLM-based approach captures contextual semantic variations, such as negation, intensification, and industry-specific terminology. This reduces the measurement error in the sentiment variable and allows for a more precise identification of the incremental information content of management sentiment in short-window event studies. Earnings presentation calls, as highly interactive communication channels, convey information that is incremental to the literal text content [2]. This study employed the Qwen LLM to perform sentiment analysis on management responses during such calls. Management sentiment can be divided into two distinct components: one that is accounted for by current financial and operational data and another pure management

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sentiment that represents the genuine intentions of management after eliminating fundamental noise [3]. Whether this pure sentiment exerts an incremental impact on short-term stock performance, independent of fundamentals, requires further investigation.

Short-term stock returns, a primary focus for participants in capital markets, have traditionally been elucidated through quantitative indicators, while the influence of qualitative sentiment has been comparatively underexplored. The logic through which pure sentiment influences short-term returns can be understood from two perspectives: From a signaling perspective, management sentiment embodies judgments about future prospects; positive sentiment sends a favorable signal and boosts returns [4]. From an impression-management perspective, management may strategically inject optimism before equity offerings or option exercises to inflate stock prices, which may not reflect the true firm value [3].

In the capital market of China, characterized by the predominance of retail investors and significant information asymmetry, investor responses to sentiment are likely to be intensified [5, 6]. Existing studies demonstrate that textual sentiment indices have predictive power for stock returns [7]; however, the mechanisms through which sentiment directly influence short-term returns remain underexplored. To address this gap, this study constructs a measure of pure management sentiment—purged of fundamentals—using the Qwen LLM in the context of earnings presentation calls in China. It examines the independent explanatory power of this measure for short-term stock returns, as well as the mediating role of investor attention and the moderating roles of interaction quality and the industry competition structure. This study extends the theoretical framework at the intersection of behavioral finance and information disclosure.

2 Theoretical Review and Research Hypotheses

Listed company managers recognize corporate image as a valuable intangible asset and manage it through information-disclosure strategies. Linguistic style and emotional tone are key dimensions, as management consistently emphasizes positive expressions in periodic reports and voluntary announcements to build a favorable corporate image. A positive tone signals confidence in the market, guiding investors toward more favorable assessments and driving stock price fluctuations [8].

The pure management sentiment indicator developed in this study eliminates the confounding effects of firm fundamentals and historical stock performance. It aims to capture management's private judgments and emotional tendencies during earnings conference calls, extending beyond publicly available information. Previous measures of tone may merely reflect passive responses to existing financial data, lacking incremental information capable of independently influencing the market. By removing these expected performance-driven emotional components, the remaining pure sentiment truly reflects management’s non-public judgments or cognitive biases, enabling more accurate tests of the direct economic consequences of sentiment. Based on this analysis, we propose the following hypothesis:

Hypothesis1. Pure management sentiment exhibits a significant positive correlation with the short-term stock returns of listed companies.

On digital platforms, the intensity of interaction reflects the density and depth of information exchange between management and investors, providing an effective channel for the transmission of management sentiment signals and playing a boundary role in the relationship between sentiment and short-term stock returns. Higher interaction intensity not only enhances the signaling effect of management sentiment but also contributes to improving the information environment. Question-and-answer interactions allow management to elaborate on operational judgments while enabling investors to conduct in-depth inquiries, thereby facilitating a more accurate understanding of the incremental information embedded in sentiment. The interactive process itself conveys judgments about firm prospects and triggers market reactions [9]. Moreover, interactive information disclosure reduces information asymmetry and enhances pricing efficiency [10], while stronger external oversight constrains the motivation for opportunistic manipulation, rendering sentiment signals more reflective of genuine management assessments. Based on this reasoning, the following hypothesis is proposed:

Hypothesis2. Interaction intensity positively moderates the relationship between pure management sentiment and short-term stock returns of listed companies.

The structure of industry competition constitutes the most fundamental external operating environment for a firm, profoundly shaping its information environment, risk profile, and information processing behaviors of market participants [11]. In industries characterized by intense competition, companies often grapple with fluctuating market demand, aggressive price competition, and the threat of technological disruption. These factors collectively undermine the reliability of historical financial data as tools for predicting future performance [12]. At the same time, the large number of firms and pronounced dispersion in performance outcomes result in highly fragmented investor attention. Compared with financial statement data that require complex professional analysis, emotional signals conveyed through management tone are more intuitive and entail lower processing costs, thereby conferring a relative advantage in capturing investor attention [5]. Consequently, positive emotional signals can rapidly attract market attention and elicit optimistic interpretations, triggering concentrated buying behavior. Accordingly, this study proposes the following hypothesis:

Hypothesis 3. The degree of industry competition positively moderates the relationship between management sentiment and the short-term stock returns of listed companies.

We propose that investor sentiment serves as a mediator in the relationship between pure management sentiment and short-term stock returns. Initially, pure management sentiment exerts a positive influence on investor sentiment through emotional contagion. During earnings conference calls, managers' affective states are communicated via linguistic tone. Prior research has documented that managerial tone during these calls significantly enhances subsequent investor sentiment, with this effect being particularly pronounced among retail investors [13]. Notably, because pure sentiment is orthogonal to fundamental information, this emotional transmission functions independently of informational channels. Furthermore, heightened investor sentiment propels short-term stock returns upward. Utilizing granular trading data, recent studies have demonstrated that sentiment-driven retail buying induces significant short-term price pressure, which persists for one to three days [14]. In China's retail-dominated

market, this sentiment-driven trading is especially pronounced, and the constraints on arbitrage within the short window surrounding earnings announcements prevent the full correction of sentiment-induced mispricing. Consequently, pure management sentiment initially elevates investor sentiment, which subsequently enhances short-term stock returns. Accordingly, we hypothesize the following:

Hypothesis 4. Investor sentiment mediates the positive relationship between pure management sentiment and short-term stock returns.

3 Study Design

3.1 Data Source

The textual data for earnings communication conferences in this study were primarily sourced from the Panorama Network, SSE E-Interaction platform, SZSE Interactive Easy platform, and the official websites of listed companies. Using a Python-based web crawler, we collected 136,008 question-and-answer records from management responses during the annual earnings communication conferences of all A-share listed companies from 2014 to 2023. Subsequently, we employed the open-source Qwen3.5-Flash large language model to perform sentiment analysis on the question-and-answer texts, thereby measuring the sentiment expressed by management during earnings communication conferences.

Data on stock returns, financial information, and other firm-specific characteristics were obtained from the CSMAR and Wind databases. To ensure the robustness of our findings, the sample data were processed as follows: First, firms in the financial industry were excluded due to significant differences in accounting standards between financial and non-financial companies, which make relevant indicators incomparable. Second, we removed samples of firms classified as ST or *ST during the sample period because these companies face financial distress or other anomalies. After eliminating observations with missing data, the final sample comprises 16,695 firm-year observations.

3.2 Variable Definitions

Dependent Variable.

Cumulative Abnormal Return (CAR). To accurately capture the abnormal reactions induced by managerial sentiment, we employ *CAR* to measure the stock returns of listed companies. The calculation of *CAR* proceeds as follows: First, we regress the actual daily returns of individual stocks using Model (1). In this model, $E[R_{it(event)}]$ represents the normal return of stock i on day t within the event window, $R_{i,t(event)}$ denotes the actual return of stock i on day t in the window, $R_{m,t(event)}$ is the actual return of the market portfolio on day t during the same period. Next, the abnormal return $AR_{i,t}$ for stock i on day t is computed using Model (2). Finally, the cumulative abnormal return $CAR_{(t1,t2)}$ for stock i from day t_1 to day t_2 is derived using Model (3).

$$E[R_{i,t(event)}R = \alpha_i + \beta_i \times R_{m,t(event)} + \varepsilon_{i,t} \quad (1)$$

$$AR_{i,t} = R_{m,t(event)} - E[R_{i,t(event)}] \quad (2)$$

$$CAR_{(t_1,t_2)} = \sum_{t=t_1}^{t_2} AR_{i,t} \quad (3)$$

We designated the annual earnings communication conference of listed companies as the event day (denoted as t=0) and selected a short-term event window spanning one trading day before and one trading day after the event. The estimation period for calculating normal returns is set from 210 trading days to 11 trading days prior to the release of the annual report. The cumulative abnormal return over this short-term event window is denoted as $CAR_{(-1, +1)}$.

Independent Variable.

Pure Management Sentiment During the Earnings Communication Conference (UNtone). We decompose managerial tone (*Tone*) into a normal tone (*NTone*) that reflects the portion attributable to available current fundamental information and a pure tone (*UNTone*) that captures the component voluntarily conveyed by management after filtering out the influence of financial performance and market noise [3]. Management tone (*Tone*) is measured using a large language model. This study employs the Qwen large-language model to perform sentiment scoring on the texts of earnings communication conferences. Large language models are capable of capturing contextual nuances, effectively identifying complex linguistic phenomena such as negation, transitions, and degree adverbs, thereby avoiding measurement biases inherent in bag-of-words models [1]. Specifically, pure management sentiment is defined on a continuous scoring interval from -10 to 10, where -10 represents extremely negative sentiment, 0 represents completely neutral sentiment, and 10 represents extremely positive sentiment.

Subsequently, we conducted an annual cross-sectional regression on *Tone* using Model (4), incorporating tone determinants that were publicly available to investors at the time of the news release to mitigate forward-looking bias. These determinants serve as a comprehensive measure of the currently accessible fundamental information, growth opportunities, operational risk, and complexity.

In the model, $Tone_{i,t}$ denotes the managerial tone during the earnings communication conference of listed company *i* in year *t*. $Control_{i,t}$ represents the matrix of control variables, including for company *i* in year *t*: earnings (*EARN*), stock returns (*RET*), firm size (*SIZE*), book-to-market ratio (*BTM*), the standard deviation of monthly stock returns within the fiscal year (*STD_RET*), the standard deviation of non-recurring profit and loss adjusted net income over the past five years (*STD_EARN*), firm age (*AGE*), a loss indicator (*LOSS*), and the change in net profit standardized by beginning total assets ($\Delta EARN$). The residual term (ε) from model (4) constitutes the core variable of this research—the pure managerial tone (*UNTone*).

$$Tone_{i,t} = \gamma_0 + \theta control_{i,t} + \mu_i + \omega_t + \varepsilon_{i,t} \quad (4)$$

Moderating Variables. Interaction Intensity (*Interaction*): Measured by the number of question-and-answer exchanges between management and investors during earnings communication conferences. This indicator captures the level of interactive engagement between the two parties. A higher number of Q&A exchanges reflects greater interaction intensity.

Industry Competition Intensity (*HHI*): Measured using the Herfindahl-Hirschman Index based on firms' operating revenues within the three-digit industry classification as defined by the China Securities Regulatory Commission, this indicator reflects the degree of market concentration and competition. A lower HHI value indicates a more competitive industry environment with lower market concentration, whereas a higher value suggests greater monopoly power and higher concentration.

Mediating Variable. Abnormal investor sentiment (*ABInsenti*): Calculated as the difference between the average sentiment during the event window [0, +3] and the average sentiment during the estimation window [-120, -11]. We compute investor sentiment as the ratio of net positive posts to total sentiment-bearing posts on the Guba platform.

Control Variables. To more accurately estimate the independent effect of pure management sentiment on short-term stock returns and enhance the reliability of our findings, we systematically incorporate control variables from three dimensions: corporate governance, financial characteristics, and basic firm attributes. Specifically, the growth rate of main business revenue (*Incomegro*), the natural logarithm of net cash flow from operating activities (*Cashflow*), R&D expenditure as a percentage of operating revenue (*RDrat*), board size (*Boardsize*), ownership concentration (*Top1*), the natural logarithm of total assets (*TotalAssets*), the book-to-market ratio (*Valuerat*), the time since listing (*Listime*), the proportion of shares held by institutional investors (*Insrat*), and the earnings conference calls timing dummy (*Disclosure_Time*) are included as control variables The specific definitions of the variables are shown in Table 1 below:

Table 1. Definition of variables.

Variable type	Variable	Variable definition
Dependent variable	*CAR*	Cumulative Abnormal Return around the listed company's annual earnings presentation
Independent variable	*UNtone*	The pure managerial tone during the earnings communication conference
Moderator variables	*Interaction*	Number of Q&A interactions between management and investors
	HHI	Industry competition intensity (Herfindahl-Hirschman Index)
Mediating variable	*ABInsenti*	Investor sentiment, measured by the ratio of net positive posts to total sentiment-bearing posts on the Guba platform
Control variables	*Incomegro*	Growth rate of main business revenue
	Cashflow	Natural logarithm of net cash flow from operating activities
	RDrat	R&D expenditure as a percentage of operating revenue
	Boardsize	Total number of directors on the board

Top1	Ownership concentration*100
TotalAssets	Natural logarithm of total assets
Valuerat	Book-to-market ratio
Listime	Time since listing
Insrat	Proportion of shares held by institutional investors
Disclo-sure_Time	Dummy variable equals 1 if the earnings conference call starts during A-share trading hours (9:30-11:30 or 13:00-15:00), and 0 otherwise

3.3 Empirical Model

To examine the impact of managerial tone on the stock performance of listed companies, this study employs Model (5) for the regression estimation. Furthermore, to test the moderating effects of interaction intensity and industry competition intensity, interaction terms between these two moderating variables and *UNtone* were incorporated based on Model (6) and (7).

$$CAR_{i,t} = \alpha_0 + \alpha_1 UNtone_{i,t} + \alpha_2 Controls_{i,t} + \mu_I + \tau_Y + \varepsilon_{i,t} \quad (5)$$

$$CAR_{i,t} = \gamma_0 + \gamma_1 UNtone_{i,t} + \gamma_2 Interaction_{i,t} + \gamma_3 UNtone * Interaction_{i,t} + \gamma_4 Controls_{i,t} + \mu_I + \tau_Y + \varepsilon_{i,t} \quad (6)$$

$$CAR_{i,t} = \beta_0 + \beta_1 UNtone_{i,t} + \beta_2 HHI_{i,t} + \beta_3 UNtone * HHI_{i,t} + \beta_4 Controls_{i,t} + \mu_I + \tau_Y + \varepsilon_{i,t} \quad (7)$$

To verify the mediating effect of investor attention (*SVI*), this study constructs the following models based on Model (8) and (9):

$$ABInsenti_{i,t} = \delta_0 + \delta_1 UNtone_{i,t} + \delta_2 Controls_{i,t} + \mu_I + \tau_Y + \varepsilon_{i,t} \quad (8)$$

$$CAR_{i,t} = \lambda_0 + \lambda_1 UNtone_{i,t} + \lambda_2 ABInsenti_{i,t} + \lambda_3 Controls_{i,t} + \mu_I + \tau_Y + \varepsilon_{i,t} \quad (9)$$

4 Empirical Results Analysis

4.1 Descriptive Statistics Analysis

Table 2 reports descriptive statistics for the variables used in our analysis. The core variable, pure management sentiment (*UNtone*), has a mean of 0.004 and a standard deviation of 2.075, indicating a neutral distribution with substantial cross-sectional variation. The dependent variable (*CAR*) has a mean of 0.124% and a standard deviation of 4.944. For moderating variables, Q&A interactions (*Interaction*) range from 2 to 143, while the Herfindahl–Hirschman Index (*HHI*) averages 0.133, indicating a competitive industry environment. For the mediating variable, abnormal investor sentiment (*ABInsenti*) has a mean of 0.257 with a standard deviation of 0.383.

Table 2. Descriptive statistics.

VARIABLES	N	Mean	SD	Min	Max
CAR	16,695	0.124	4.944	-13.490	17.960
UNtone	16,695	0.004	2.075	-5.071	4.790
Incomegro	16,695	0.062	0.292	-1.375	0.694
Cashflow	16,695	19.229	1.659	15.146	24.151
RDrat	16,695	5.979	6.233	0.040	36.800
Boardsize	16,695	8.305	1.604	5	14
Top1	16,695	32.620	14.200	8.259	71.440
TotalAssets	16,695	22.290	1.386	20.040	27.150
Valuerat	16,695	0.606	0.254	0.119	1.210
Listime	16,695	9.786	7.606	1	30
Insrat	16,695	0.413	0.257	0.003	0.928
Disclosure_Time	16,695	0.187	0.390	0	1
Interaction	16,695	31.460	26.050	2	143
HHI	16,695	0.133	0.147	0.027	0.881
ABInsenti	16,695	0.257	0.383	-0.7	1

4.2 Main Regression Results

We adopt the method of successively adding control variables to examine the impact of management sentiment on short-term corporate stock returns. As can be seen from the results in the five columns of Table 3, the coefficients for management sentiment (*UNtone*) are significantly positive, indicating that management sentiment enhances a firm's short-term stock returns, thus confirming Hypothesis 1.

4.3 Moderating Effect Analysis

To test Hypotheses 2 and 3, interaction terms between management sentiment and interaction intensity, and between management sentiment and industry competition, were incorporated into the main regression equation, leading to the estimation of models (7) and (8). Column (2) of Table 3 builds upon column (1) by introducing interaction intensity (Interaction) and its interaction term with management sentiment. The coefficient for the core interaction term (*UNtone*×*Interaction*) is 0.001, indicating that interaction intensity amplifies the positive impact of management sentiment on stock returns. This finding is fully consistent with the expectation outlined in Hypothesis 2.

Column (3) of Table3 examines the moderating effect of industry competition intensity (*HHI*). The results show that the coefficient for the core interaction term (*UNtone*×*HHI*) is -0.199. The *HHI* index is inversely related to the degree of competition—a lower *HHI* score signifies more intense competition. Therefore, this significantly negative interaction term implies that the positive effect of management sentiment on stock returns is stronger in industries characterized by fiercer competition. This provides robust support for research Hypothesis 3.

Table 3. Main regression results.

	CAR		
VARIABLES	(1)	(2)	(3)
UNtone	0.004***	0.050**	0.069***
	(2.69)	(2.06)	(3.20)
Interaction		-0.002	
		(-1.32)	
UNtone Interaction*		0.001**	
		(2.06)	
HHI			-0.121*
			(-0.33)
*UNtone*HHI*			-0.199
			(-1.78)
Constant	-0.736	-0.837	-0.734
	(-0.93)	(-1.06)	(-0.93)
Observations	16,695	16,695	16,695
R-squared	0.021	0.026	0.021
Controls	YES	YES	YES
Industry FE	YES	YES	YES
Year FE	YES	YES	YES

Note: *, **, and *** denote significance at the 10%, 5%, and 1% levels, respectively; t-statistics are reported in parentheses. This convention applies to all subsequent tables.

4.4 Mediating Effect Analysis

To examine the mediating role of investor sentiment in the impact of pure management sentiment on short-term stock returns, this study constructs a mediation effect model for empirical testing. The specific results are presented in Table 4. The results in Column (1) show that pure management sentiment (*UNtone*) significantly enhances abnormal investor sentiment (*ABInsenti*). Column (2) shows that the coefficient of *ABInsenti* is significantly positive, indicating that an increase in investor sentiment significantly enhances a firm's short-term stock returns. Meanwhile, the coefficient of *UNtone* remains significantly positive but is attenuated compared to that in the baseline model. This finding suggests that investor sentiment plays a partial mediating role in the relationship between pure management sentiment and short-term stock returns, thus Hypothesis 4 is supported.

To further examine the robustness of the mediating effect of investor sentiment, this study employs the Bootstrap method for testing, with the results presented in Table 5. The mediating effect coefficient of *ABInsenti* between pure management sentiment and short-term stock returns is 0.011, which is statistically significant at the 1% level. Moreover, the 95% confidence interval for this coefficient does not contain zero.

Table 4. Mediating effect results.

	ABInsenti	*CAR*
VARIABLES	(1)	(2)
ABInsenti		1.011***
		(11.33)
UNtone	0.011***	0.314**
	(5.74)	(1.96)
Constant	0.893***	-1.655**
	(9.58)	(-2.09)
Observations	16,695	16,695
R-squared	0.091	0.035
Controls	YES	YES
Industry FE	YES	YES
Year FE	YES	YES

Table 5. Analysis of bootstrap test results.

	coefficient	std. err.	z	P>|z|	[95 % conf.	interval]
_bs_1	0.0011	0.002	5.230	0.000	0.007	0.015

4.5 Heterogeneity Analysis

State-Owned vs Non-State-Owned Firms. Based on the previous hypotheses, we assume that management sentiment has heterogeneous effects on the short-term stock returns of different types of enterprises. To verify this hypothesis, this paper selects the method of sub-sample regression for testing. According to the results in column (1) and (2) of Table 6, the impact of management sentiment on the short-term stock returns of state-owned enterprises is not significant. Conversely, management sentiment significantly improves the short-term stock returns of non-state-owned enterprises. It indicates that when assessing the market consequences of management sentiment, it is necessary to place the enterprise within the property rights and governance ecosystem in which it operates. For non-state-owned enterprises, sentiment serves as an important medium of information; for state-owned enterprises, sentiment may be more of a rhetorical convention within the system.

Small vs Large Firms. To examine the heterogeneity of effects across firm size, we classify firms as large or small based on whether their total assets exceed the annual-industry median. The regression results in column (3) and (4) of Table 6 indicate that the impact of management sentiment on short-term stock returns is statistically significant only for small firms, while it is negligible for large firms. Small firms operate in an environment of high information asymmetry, with limited analyst coverage and public disclosure. As a result, managerial tone during earnings communication conferences serves as a critical forward-looking signal, carrying high marginal informational value. In contrast, large firms are information-rich and under intense scrutiny, leaving little incremental role for sentiment.

Table 6. Results of heterogeneity test.

	State-owned	Non-state-owned	Large	Small
VARIABLES	(1)	(2)	(3)	(4)
UNtone	-0.020	0.066***	0.033	0.064**
	(-0.64)	(3.45)	(1.58)	(2.55)
Constant	1.206	-1.124	0.985	-2.295
	(1.07)	(-1.10)	(0.80)	(-0.95)
Observations	3,733	12,962	8,347	8,348
R-squared	0.052	0.022	0.030	0.030
Controls	YES	YES	YES	YES
Industry FE	YES	YES	YES	YES
Year FE	YES	YES	YES	YES

4.6 Endogeneity Test

To mitigate potential endogeneity concerns arising from reverse causality, where stock price increases may lead management to express more positive sentiment during earnings conferences, and omitted variables, such as corporate governance quality and macroeconomic expectations that may simultaneously influence both management sentiment and stock prices, this study employs the firm's own one-year lagged pure management sentiment (*IV_self_lag*) as an instrumental variable and adopts a two-stage least-squares (2SLS) approach for causal inference. Management sentiment exhibits strong persistence over time, as managers maintain relatively stable communication styles across consecutive earnings conference calls. Furthermore, the firm's historical sentiment has already reflected in stock prices prior to the current earnings call. Consequently, it cannot directly affect the firm's short-window stock returns through mechanisms other than its impact on current sentiment, thereby satisfying the exclusion restriction. The endogeneity analysis results are presented in Table 7. Our core findings confirmed that pure management sentiment has a significantly positive impact on short-term stock returns. The instrumental variable is shown to be valid, and the estimation results are reliable.

Table 7. Endogeneity test results.

	Phase I		Phase II
	UNtone		*CAR*
IV_self_lag	0.337***		
	(28.59)		
UNtone			0.098**
			(2.01)
Controls	Yes		Yes
Industry FE	Yes		Yes
Year FE	Yes		Yes
LM-test		612.866	
F-test		817.587	

5 Conclusion and Implications

This study is based on the Q&A transcripts from earnings communication conferences of A-share listed companies between 2014 and 2023. Using the Qwen large language model, it constructs a "purified sentiment" indicator to examine the impact of management sentiment on short-term stock returns. The findings reveal that pure management sentiment significantly increases cumulative abnormal returns. This positive relationship is further strengthened by interaction quality and industry competition, and is more pronounced among private enterprises and firms with smaller market capitalization. Moreover, the results show that pure management sentiment influences short-term stock returns by enhancing investor sentiment.

This study highlights the independent role of sentiment information in asset price formation and deepens the understanding of information asymmetry within the information transmission process. It also provides valuable insights for investors in identifying sentiment signals, for listed companies in optimizing communication management, and for regulators in improving information disclosure frameworks and market guidance, thereby offering empirical support for enhancing information efficiency and promoting high-quality development in capital markets.

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