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## **Insider selling contrasts with share buybacks: TrimTabs**

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By Editorial Staff    *Wed, Dec 9, 2015*

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TrimTabs Investment Research reported today that corporate insiders sold \$7.6 billion in November, the second-highest monthly volume this year.

"Insiders aggressively ramped up their selling in the wake of the big October rally, which is a cautionary longer-term sign for U.S. equities," said David Santschi, TrimTabs' CEO. "The last time insider selling was higher was back in May, and the S&P 500 fell 6.4% in the following three months."

TrimTabs tracks insider transactions based on filings of Form 4 with the Securities and Exchange Commission. Last month's volume was the fourth highest in the past three years.

In a research note, TrimTabs explained that insiders are selling heavily with their own money even as they lay out huge amounts of shareholders' money to buy shares. A staggering \$1.37 trillion in cash has been committed to buy U.S. public companies and repurchase shares in U.S. public companies this year, smashing the previous annual record of \$1.26 trillion in 2007.

"Amid a slow-growth economy, insiders are spending loads of shareholders' money on takeovers and buybacks to boost revenue as well as earnings per share, but they're selling hard with their own money," said Santschi.

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