

Insider Buying By Sectors

As has been widely reported over the last two days, during the month of January, insiders became net buyers of stocks for the first time since January 1995. According to the firm that put out the report (Washington Service), in the seven prior periods where insider buying exceeded selling, the S&P 500 has risen by an average of 21% in the following 12 months.

Getting more specific, we analyzed which sectors and stocks have seen the greatest buying. In the first table below, we have highlighted the amount of insider activity by sector, along with how much money insiders have made or lost since their purchases. We also list the stocks that have seen the greatest amount of insider buying. Interestingly, while the market sold off yesterday on fears that a recession is practically a forgone conclusion, cyclical sectors have seen the most insider buying, while buying in the more defensive sectors has been nearly non-existent.

Insider Buying By Sector: Last Month

Sector	Dollar Value (\$, mlns)	Percent of Total	Net P&L (%)	Stocks With Largest Buying Interest
Consumer Disc. ¹	490.59	39.26	6.8	IACI, BKS, HTV
Industrials ²	301.93	24.16	37.5	BNI, USG, CVO
Energy	130.83	10.47	-2.4	KEG, CHK, ETE
Financials	112.02	8.96	6.8	ACF, EQY, RMG
Technology	103.23	8.26	0.2	CNET, MGI, GIGM
Materials	37.67	3.01	4.8	CLF, CBT, SHE
Health Care	35.89	2.87	-0.5	SGEN, ARQL, VPHM
Cons Staples	26.14	2.09	1.9	SFD
Telecom Svcs	10.73	0.86	-0.1	ICOG, T, ARBX
Utilities	0.71	0.06	0.0	<i>None greater than \$1 mln.</i>
Total	1,249.74	100.00	4.4	

¹ \$339 mln came from Barry Diller buy of IACI

² \$229 mln came from Warren Buffett buy of BNI.

Finally, for investors looking to see which insiders have made the best and worst buys over the last month, on page two we list the ten stocks where insiders have made the most and least money on a percentage basis. Topping the list of best buys is HOV. Two insiders recently purchased over \$2 million in stock at an average price of \$5.3. As of this morning, that stake was worth over \$3.8 million. Not bad for a month's worth of work.

Best and Worst Performing Stocks With Insider Purchases

Ticker	Sector	Number of Buyers	Current Price	Avg Purchase Price	Shares	Purchase Value	Current Value	Percent Change
HOV	Consumer Discret.	2	9.80	5.3	389,100	2,060,639	3,813,141	84.9
GGC	Materials	1	7.62	4.25	197,091	838,389	1,501,814	79.3
UA	Consumer Discret.	1	41.38	27.66	243,900	6,746,993	10,092,582	49.6
CCIX	Industrials	4	11.60	7.98	248,920	1,986,754	2,887,472	45.4
AXR	Industrials	1	40.50	28.98	32,500	941,794	1,316,250	39.8
SMRT	Consumer Discret.	6	5.65	4.11	950,200	3,907,059	5,368,630	37.5
RMG	Financials	3	22.90	17.5	585,000	10,237,500	13,396,500	30.9
KRO	Materials	1	20.91	15.98	15,700	250,825	328,287	30.9
RT	Consumer Discret.	11	7.71	6	904,880	5,425,205	6,976,625	28.5
POCC	Energy	1	2.65	2.12	297,000	630,876	787,050	25.0

Ticker	Sector	Number of Buyers	Current Price	Avg Purchase Price	Shares	Purchase Value	Current Value	Percent Change
ATPG	Energy	1	36.82	44.84	360,500	16,165,430	13,273,610	-17.9
HEI/A	Industrials	9	33.96	39.64	13,400	531,176	455,064	-14.3
ARDM	Health Care	1	1.19	1.36	191,600	259,757	228,004	-12.5
OPTV	Technology	1	1.11	1.25	587,078	734,613	651,657	-11.2
ISLE	Consumer Discret.	3	10.87	12.23	74,603	912,571	810,935	-11.1
SHOR	Technology	2	5.01	5.56	230,000	1,278,979	1,152,300	-9.9
KEG	Energy	1	11.97	13.25	2,498,800	33,109,100	29,910,636	-9.7
SABA	Technology	1	4.15	4.55	217,700	990,441	903,455	-8.8
MERX	Technology	3	2.76	3.02	224,000	676,795	618,240	-8.6
SMBL	Consumer Staples	1	9.00	9.8	30,000	294,000	270,000	-8.2