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Although the investments industry has succeeded in developing customized benchmarks for traditional long-only managers that describe the playing fields on which these managers operate, such customized benchmarking does not exist for hedge fund managers. We open our Winter issue with Brown's presentation of a framework for hedge fund return and risk attribution through the construction of a relevant benchmark. Based on Warren Buffet's quote, "The fact that people will be full of greed, fear or folly is predictable. The sequence is not predictable," Sturm examines the sequence of advances and declines in prices against two artificially constructed benchmarks. This is followed by Peylo's proposal of a method based on the concept of multidimensional decision making to allow investors to define a flexible degree of sustainability as an additional optimization criterion in the portfolio selection process. Carosella, Rodriguez, Williams, Nawrocki and Doh examine the underperformance of SRI in the 2000s to determine its source. Kapadia and Szado construct and evaluate returns on a buy-write strategy on the Russell 2000 index.

Li and Subrahmanyam propose unsophisticated investors may not be able to discern true managerial compensation from financial statements due to their unfamiliarity with accounting conventions. Next Chaudhary presents a portfolio construction technique for incorporating options into a portfolio and better measuring and managing risk. Jaggia and Thosar examine the importance of investor sentiment in IPO transactions. This is followed by Chevallier, Ding, and Ielpo, who propose a simple rule to implement dynamic stop-loss strategies. Yang and Meziani develop a model to help investors reach a conclusion regarding the loss sale quandary.

The special section in this issue is on Islamic investing. Since Islam makes no distinction between the spiritual and the secular, Islamic investments are a unique form of socially responsible investments. With considerable development in this marketplace, it has gone from a niche market to more mainstream. The articles presented shed light on the history, development and challenges.

I'd like to take the opportunity in this issue's editor's letter to thank Ramu Thiagarajan for his many contributions to the journal. He has authored seven papers in JOI. Of those seven, three are the most read overall in the history of JOI. He has been the special section editor for both the Risk Parity section and the Liability Driven Investing section. Not only was he the section editor for Risk Parity but he brought us the idea of the section. He is a renaissance man who has done research in many areas beyond his core competency in equities, authoring studies in volatility, asset allocation, macroeconomics, risk parity and LDI. He has the rare skill to take a rigorous academic approach to investment ideas and apply them in a practical manner that is of use to investment professionals. We are fortunate to have him as a contributor at JOI.

As always, we welcome your submissions. We value your comments and suggestions, so please email us at journals@investmentresearch.org.

Brian Bruce
Editor-in-Chief