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We open the summer issue with a study by McCann, Qin, and Yan that reconciles widely diverging recent estimates of broker misconduct and provides recommendations to modify BrokerCheck so that investors can protect themselves, and market forces can substantially reduce broker misconduct. Filbeck, Holzhauer, and Zhao test the performance of the Dogs of the Dow strategy using a replicable grouping of stocks based on *Fortune*'s Most Admired Companies and offer support for a link between financial and social performance. Wang, Brooks, Lu, and Holzhauer examine the monthly returns of nine Select Sector SPDRs and find that investors may be able to not only benefit from SPDRs' low fees, tax efficiency, and trading flexibility, but also exploit SPDRs as asset allocation tools to earn excess returns on sector momentum.

Next, Smith and Xu study stock valuation and find that investors typically use a single discount rate, often a Treasury rate plus a risk premium. The authors suggest that the yield to perpetuity is likely to be a better approximation to a complete term structure than are short-term rates. Calandro profiles three general definitions of the term *rationality* and demonstrates how one of these definitions is practically applicable to investment management. Additionally, the article closes with suggestions on how to supplement traditional forms of investment analysis with rationality-based/inspired input.

In our special section on fixed income, Brooks and Upton address the problem of decomposing bond portfolio holding period returns and provide an approach to attributing bond fund performance, aiding the efforts of many different stakeholders to improve their decision-making process. Next, Konstantinov demonstrates the persistent style of European Monetary Union bond portfolios and proposes a framework for analysis that identifies crowdedness and helps to monitor exposure at risk, and he suggests investment process enhancements that could improve investors' diversification. Chin and Gupta use prime alpha as a strong indicator of manager skill and show evidence that raw manager returns are not persistent because they are influenced by the cyclical nature of factor returns.

We conclude the issue with Parnes and Akron, who develop analytic derivations for the projected mean and median times to default for high-yield bonds that have been previously downgraded from investment-grade ratings. They identify the most influential accounting and market ratios that can explain the life expectancies of fallen angels.

As always, we welcome your submissions. Submission guidelines are included in this issue. We value your comments and suggestions, so please email us at journals@investmentresearch.org.

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