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We open the Winter issue with an article by Mozes that reports that analysts have become better informed about companies' earnings prospects, allowing them to become more accurate in the forecasts that they make well in advance of the end of the reporting period. However, toward the end of the reporting period, when investors position themselves to profit from earnings surprise, analysts' earnings forecasts now reflect less of their true expectations and have therefore become less accurate. Kadiyala compares the relative response of Treasury fund flows to the sentiment-prone Michigan survey of inflation expectations and to the Blue Chip Survey of Financial Forecasts and finds that the Michigan survey is insignificantly related to flows into inflation-indexed TIPs and is positively related to flows into nominal treasury funds. Gotthelf and Uhl construct a successful trading strategy for the US 10-year government bond yield based on news sentiment. Choi, Jeong, and Park examine times series momentum and covered call strategies through conventional representations across 10 asset classes. The resulting portfolios show enhanced risk-adjusted performance compared to corresponding buy and hold investments or individual strategy portfolios.

Next, Day, Wu, Huang, and Ni argue that the sharp movement in exchange rates may result in stock market fluctuation due to the stimulation of investors' sentiments. Bhuyan and Khandoker highlight various aspects of the execution and opportunity costs that can give traders a much clearer understanding of implementation shortfall. This guidance can be used to trade more wisely. Mohanty presents evidence that the Black–Litterman model provides a more reasonable platform to portfolio optimization and asset allocation than the traditional CAPM approach by presenting an equilibrium state of the markets and only deviating from that equilibrium state with forward-looking strategic views.

Uppal presents an overview of Islamic bonds known as sukuk, which have become available to international investors in recent years, discussing market opportunities and related investment issues. To conclude the issue, van den End shows in a CAPM framework that asset risk can be a serious impediment for the portfolio rebalancing channel of quantitative easing.

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

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