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To open this issue, Aw, Jiang, and Jiang explore the benefits of allowing machines to do more with respect to combining factors, leveraging advancement in artificial intelligence (AI), specifically supervised machine learning. Low and Marsh provide an overview of the ongoing development in cryptocurrency and distributed-ledger blockchain technology, including passive investment applications that use smart contracts built on top of the blockchain, as well as crowdsource funding of blockchain-crypto development: Initial Coin Offerings and Security Token Offerings. Gupta, Oberoi, and Subramanian evaluate active management opportunities and the past successes of active managers and reveal that both emerging markets and small caps were relatively less efficient, thereby creating a dynamic pool of potential opportunities for active management. Active managers have been more successful in selecting emerging markets and small-cap stocks and have exhibited higher persistence in performance in these markets.

Next, Tidmore, Kinniry, Renzi-Ricci, and Cilla evaluate the relationship between portfolio diversification and outperformance. The analysis yields two measures that a manager must meet to outperform the market: the "excess return hurdle" and the "success rate." Chakraborty, Grant, Trahan, and Varma assess the announcement wealth effects and trading opportunities on the stocks of share repurchasing firms and conclude that alpha returns may be available for investors by going long the stocks of share repurchasing firms at the time of the announcement and holding the position open for some 30 trading days thereafter.

As we continue, Marlo and Stark examine how mutual fund ability varies across up and down market conditions and provide evidence that capture ratios provide valuable information to investors and that investors take this information into account when making mutual fund allocation decisions. Nguyen and Switzer investigate the diversification gains obtained from investing in European small-cap stocks and find that after Brexit, US investors achieve diversification benefits from investments in European large-cap stocks; however, small-cap stocks from only one country in the EU are shown to offer additional diversification gains.

To conclude the issue, Diavatopoulos, Fodor, and Krieger consider returns to option strategies following class action lawsuits and find consistent, positive, and frequently significant returns to option straddle and strangle positions held from 6 months to 1.5 years after a firm is targeted in a class action.

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

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