

THE JOURNAL OF INVESTING

VOLUME 9, NUMBER 3

FALL 2000

BRIAN R. BRUCE Editor-in-Chief
NICK MENCHER Executive Editor
DEBORAH DOAK Production Coordinator

HARRY KATZ Production Director
PATRICIA B. PEAT Copy Editor
PEGGY MALONE Production Associate
AMPARO GRAF Production Specialist
MICHELLE WRIGHT Production Artist
AJANI MALIK Production Manager
Prepress and Reprints

CHRISTOPHER ENTICKNAP New Business
Development Manager

GEORGE LIAO Circulation Director
JAMES MARINACCIO Renewal & Billing Manager
INGRID BONEY Direct Marketing Manager
STEFANNY HSU Marketing Associate

ALEX BELINSKY Fulfillment Manager
CHERLY-NINA BONNY Fulfillment Supervisor
KATHY COMMISSO Fulfillment Assistant
NASHELLE ORTIZ Fulfillment Assistant

GREG ANDERSON COO
MICHELLE OUDKERK Assistant Business Manager
THERESE KOLATA Advertising Assistant

ALLISON ADAMS Associate Publisher
GAURI GOYAL Publisher
CHRIS BROWN CEO

We lead off the Fall 2000 issue with an article by Mozes and Williams that examines the relationship between analysts' forecast accuracy and brokerage firm affiliation. The authors conclude that an analyst's expected forecast accuracy is more closely related to whether that analyst's forecast is lower or higher than other analysts' forecasts than to the analyst's brokerage firm affiliation. This is followed by Beckers and Gathmann's discussion of insider trades. A case study in the U.K., finds that these trades reveal information that is not yet reflected in market prices and that in some market segments, copycats can profit from following the insiders' lead.

Our next article by Park concludes that P-E ratio is of limited use as a measure of stock valuation. We follow this with Chen's discussion of stock fraud in microcap or penny stock issues. In the next article, Fung observes that, in asset allocation of international bonds, investors should invest in bond markets that did poorly in the past and avoid those that had excellent returns in the previous period. We follow this with Filbeck and Gorman's study of whether the visionary, "build to last" companies described by Collins and Porras are worth for investing.

We are pleased to present a special section on Socially Responsible Investing, continuing our support of this effort with four important articles. Collison and Frankfurter argue that maximizing shareholder wealth should not be an overriding goal of business activity. D'Antonio, Hutton, and Johnsen examine asset allocation strategies in the context of investor regret. Abramson tests socially responsible investing as a viable option for value investors. Finally, Stone discusses portfolio screening decisions of managers responsible for environmentally concerned mutual funds.

Brian Bruce
Editor-in-Chief

Nick Mencher
Executive Editor