

From the Editor

The lead article in this volume is by Travis Jones and Robert Brooks of the University of Alabama. They examine the development of single stock futures (SSF) markets in the United States, showing a number of reasons why individual investor interest in these securities has not yet reached its potential. Professors Jones and Brooks argue that trading volumes are very low and implied interest rates indicate that SSF settlement prices often have little relation to their respective underlying stock's closing prices. Given the potential utility of these securities to address various financial planning challenges, such as hedging a concentrated position in a stock, this research provides some interesting perspectives on this developing market.

The second article is by Randy Anderson of Florida Atlantic University and Anthony Loviscek of Seton Hall University. These authors study whether the rankings contained in well-known the investment reference *The 100 Best Stocks to Own in America* contain valuable information for investors. Relying on out-of-sample Sharpe ratios of 30 portfolios constructed from the first six editions, they do find some evidence of information content, especially in the most highly ranked stocks.

The third article is by Kent Baker, Tarun Mukherjee, and Gary Powell. Professor Baker is at American University; Professor Mukherjee at the University of New Orleans; and Professor Powell at Towson University. This research trio analyzes the firm's methods of cash distribution from the perspective of the investor. They argue that understanding why firms choose one method over another to distribute excess cash has important implications. In particular, specially designated dividends convey positive information about current excess performance, not long-run performance.

The fourth article is by Michael Gutter and Tabassum Saleem of the University of Wisconsin-Madison. Professors Gutter and Saleem examine the financial vulnerability of small business owners. The findings suggest that business owners face unique financial vulnerability because of their reliance on the business as both a source of income and wealth. Among small business owners, farmers often tend to have the highest financial vulnerability.

The last article is by Thomas Meyer, Xiao-Ming Li, and Lawrence Rose. Professor Meyer is from Southeastern Louisiana University. Professors Li and Rose are from Massey University, Albany Campus. These researchers evaluate whether adding internationally based

assets to a wholly domestic portfolio generates diversification benefits for an investor. They find that a New Zealand-only portfolio stochastically dominates four internationally-diversified portfolios across all periods considered.

Thanks again to those who make the journal possible. The journal remains on schedule, supported by the dedicated efforts of authors and reviewers. Please consider submission to the *Financial Services Review*. I welcome articles over the range of areas that comprise personal financial planning. While our articles are certainly eclectic in terms of topic, data, and method, they are focused in terms of motivation. We exist to produce research that addresses issues that matter to individuals and that have relevance to personal financial planning. I remain committed to making the journal appear on a quarterly basis and be the best academic outlet in individual financial management and personal financial planning.

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