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Liquidity issues remain a challenge for institutional traders as they seek to minimize the market impact of their trades. This growth has in turn affected the growth of alternative trading systems, crossing networks, and other pools that result from order matching. Electronic trading continues to evolve at an incredible pace, fueled by both market and technological innovations. This issue of *The Journal of Trading* focuses on liquidity.

We begin the issue with an article by Aked and Moroz that presents a framework for decomposing and comparing trading costs. Their framework is intended to help investors evaluate the capacity of index-based strategies. Liu and Park study the relationship between liquidity supply, liquidity demand, and market movement, providing meaningful ways for trading algorithms to minimize market impact of orders and maximize liquidity extraction. Abner examines the trading characteristics of the exchange-traded fund (ETF) product set to enable investors to understand how growth is spreading out among a wider variety of products. In their article, Nadler and Schmidt analyze the impact of major macroeconomic announcements on the daily trading volumes of several U.S. ETFs and identify several that significantly increased daily trading volumes.

Polidore, Xu, Alexandre, and Wei discuss a solution to the risk of unpredictable and unbalanced change to the composition of the executing list that causes many traders to avoid dark and block trading. In search for a summary quantitative measure for option liquidity that is economically meaningful and easy to implement, Chaudhury proposes two measures as possible solutions. Sarkar and Younger compare several popular measures of U.S. Treasury market liquidity to identify the driving forces behind the recent decline in liquidity. We conclude this special issue with Kuvvet's examination of the implications of corporate fraud on stock liquidity, finding it had adverse effects on liquidity in both the short term and the long term.

As always, we welcome your submissions. Please encourage those you know who have good papers or have made good presentations on trading-related subjects to submit them to us. Submission guidelines are included in this issue. We value your comments and suggestions, so please e-mail us at journals@investmentresearch.org.

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