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The many technological advances that have given us new trading venues, strategies, and practices have also impacted more basic concepts. This issue opens with O'Hara's discussion of the effects on quotes and why in many instances what is or should be a quote is not clear. This is followed by Schwartz's investigation of fragmentation as a threat to price discovery and the need for regulatory action. Next Popova and Popova examine the effect of using intraday vs. market on close prices when backtesting a statistical arbitrage strategy and suggest the use of intraday and market to identify potential losses. Donefer discusses recent examples of market contagion and suggests some regulatory actions that could mitigate the risk.

Next are Szado and Schneeweis, who examine the renewed interest in option-based equity collars and other protective strategies in light of the recent credit crisis and decline in equity markets. Borkovec and Heidle discuss the basics of building an accurate transaction cost model and the challenges that can be encountered. Woodley identifies and discusses the characteristics of more actively traded bond issues. Then, Nguyen, Duong, Kalev, and Oh investigate the impact of divergence of opinion on implicit trading costs in a limit order book market. The issue concludes with Sturm's commentary on the various combinations of political parties and their effect on stock returns.

As always, we welcome your submissions. Please encourage those you know who have written good articles 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 email us at journals@investmentresearch.org.

Brian Bruce
Editor-in-Chief

Publisher's Note:

Institutional Investor, the Publisher of The Journal of Trading, wants to extend a special thanks to Goldman Sachs and UBS for their continued support of The Journal of Trading. Please note that neither Goldman Sachs nor UBS have influence on the editorial content found in The Journal of Trading. Representatives from any firm are encouraged to submit an article to our independent Editor, Brian R. Bruce, for review and prospective acceptance into the publication. All editorial submissions, acceptance, and revisions are the sole decision of Mr. Bruce. The editorial submission guidelines are found on the last page of the publication. Thank you, and I hope you enjoy this and future issues of The Journal of Trading.

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