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We open the Fall 2016 issue with a discussion from Sherrill, Shirley, and Stark that documents the substantial growth in the use of exchange-traded funds (ETFs) within mutual fund portfolios, in both total dollar value and the number of unique ETFs held between 2004 and 2014. They expect that as the popularity of ETFs continues to increase, their importance within mutual fund portfolios will continue to grow as well. Next, Rompotis examines various issues (including risk, pricing, return, and tracking error) concerning the performance of commodity ETFs by taking into account whether these funds adopt a physical or a synthetic replication technique.

Our special section continues the smart beta discussion presented in the Summer 2016 issue. Amenc and Goltz analyze what academic research has to say on equity factors and present five important lessons that provide useful perspectives on practical questions about factor indexes. De Franco, Monnier, Nicolle, and Rulik use a quantitative approach to compare different alternative beta strategies based on statistical relationships among their returns. Next, Santodomingo, Nemtchinov, and Li study factor strategies and find that from an after-tax perspective, taxes can erode much of the risk-adjusted returns unless a systematic tax management process is applied. Alighanbari and Chia examine the return–risk characteristics of nine static and dynamic weighting strategies over a 36-year period. Hunstad reports that equity factors have notoriously cyclical return patterns that may make them inappropriate investments, depending on one's time horizon. His results suggest that we may be asking the wrong question when choosing factors and that we should be asking not *which*, but *when*. In their article, Bender, Sun, and Wang ask the question, "What does success look like for smart beta indexes?" They then argue that success is the ability of an index to provide a strong and consistent level of exposure to the targeted factor(s).

In our final article, Staines, Li, and Romahi argue that although capitalization weighting makes a suitable benchmark, smart beta can provide a way to build indexes more suitable for investment. They demonstrate how the properties of assets, rather than historical returns, can be used to systematically construct well-diversified portfolios.

We welcome your submissions. Please encourage those you know who have good papers or have made good presentations on indexing, ETFs, mutual funds, or related subjects to submit them to us. We value your comments and suggestions, so please email us at journals@investmentresearch.org.

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