

Dear Colleagues,

Welcome to the second issue of second volume of the *Journal of Capital Markets Studies*. I suppose the importance of the second volume is to let people know that the inaugural volume was not a once off event but rather that a new journal has begun. This also gives me an opportunity to thank all those people who have wished us well on starting our journal. We are always open to praise, but criticisms and suggestions to improve the journal are also very welcome.

As recent technological developments in data collection and processing, artificial intelligence, decentralized cloud storage, distributed ledger technology etc. has transformed the financial sector, inter-disciplinary research and development opportunities are revived for researches; we start off this issue with two research contributions in financial technologies.

In the opening paper, Hiromi Yamaoka from Bank of Japan discussed the digital currencies crypto-assets with the perspective of possible impacts on central banking and capital markets. Yamaoka examines how central bank monetary policy has been effected with in an on-going digitization of payment instruments. He points out that central banks need to continue making efforts to enhance reliability and utility of their own sovereign currencies and to promote the effectiveness of their infrastructure. As blockchain is one of the biggest buzzwords in technology right now; our following paper, Mahalingam Ramkumar's "Executing large scale processes in a blockchain" examines the blockchain as a trusted computing platform. The paper provides concreting steps to overcome limitations of current blockchain networks. The author shows that, with simple modifications to cryptographic protocols like constructing blockchain ledgers and digital signatures for authentication of transactions; one can realize a scalable blockchain platform.

Beyza Mina Ordu Akkaya investigates whether the migration policy effect the stock market's investor covering the volatility transmission between migration policy uncertainty indices of France, Germany, the UK and the USA and respective stock markets of these countries. The findings indicate that USA has a central role for investor sentiment even for migration policy and cross-market spillover indicates that European market investor sentiment is highly sensitive not to their own migration policy uncertainty, but to the USA. Thus, the findings underline the central role of USA markets.

The next paper, titled as "An investigation of magnet effect via overnight returns: the Malaysian case" co-authored by Imtiaz Sifat, Azhar Mohamad and Hamid Zarinah is an empirical attempt to find the existence of Magnet effect, in Malaysian stock exchange with a wide range of historical data. The authors find statistically significant results suggestive of magnet effect for both upper and lower limit in the stock exchange; thus, price limits are not the boon as the Malaysian regulators tout them to be. They argue that, the regulators may consider experimenting with other magnitudes of limit or introduce multi-tiered limits based on price, industry or capitalization.



Our fifth paper by Nihel Chabrak titled as “Reforming accounting to support the shift towards a sustainable financial system” addresses the need to produce a new set of information to achieve sustainable development. The author emphasizes for a reform of the accounting model to better reflect the compliance of businesses with “quality of growth” imperatives. The proposed accounting model will provide measure of a new type of performance that is less focused on simply increasing the production of economic/financial outcome but rather linked to conditions to produce people’s wellbeing and its sustainability.

The sixth and last paper sheds light on crude palm oil commodity pricing. Monsurat Ayojimi Salami and Razali Haron examine and confirm the evidence of pricing efficiency of the Malaysian crude palm oil commodity market before and after the structural break for the period ranges from June 2009 to August 2016. The paper implies that if there is distortion in the price due to shocks, both manufacturers and producers need to hedge their positions in the futures market which eliminate the price risk.

We hope you enjoy this issue of *JCMS*. Should you have any specific suggestions for future releases, please feel free to contact us. We value your input. Our e-mail addresses are provided below and *JCMS*’s website is available at: [www.emeraldgroupublishing.com/services/publishing/jcms/index.htm](http://www.emeraldgroupublishing.com/services/publishing/jcms/index.htm)

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#### **About the Editor-in-Chief**

Güler Aras, PhD, CPA, is Professor of Finance and Accounting at Yildiz Technical University, and Founding Director of Center for Finance, Governance and Sustainability (CFGs) at YTU. Professor Aras is the Founding Chair of the “Integrated Reporting Network Turkey.” She was Visiting Professor at Georgetown University McDonough School of Business and she is former Dean of the Faculty of Administrative and Economic Sciences and former Dean of the Graduate School. Her research focus is on financial economy and financial markets with particular emphasis on the relationship between sustainability, corporate governance, corporate social responsibility and corporate financial performance. She has published more than 25 books and has contributed over 250 articles in academic, business and professional journals. She also edited several book collections and conference proceedings. Her latest books, *Sustainable Markets for Sustainable Business: A Global Perspective for Business and Financial Markets* (2015) and co-authored books *Transforming Governance* (2016) and *Corporate Behaviour and Sustainability: Doing Well by Being Good* (2017) published by Routledge. She is Editor-in-Chief of *Journal of Capital Market Studies*, Editor of Routledge Book Series, *Finance, Governance and Sustainability: Challenges to Theory and Practice* and the Editor of Routledge book series *Corporate Social Responsibility*; she has also served as Editor of *Social Responsibility Journal* and *Emerald Development of Governance and Responsibility* book series. Professor Aras has spoken extensively at professional and academic conferences and has served as Consultant to number of governmental and commercial organizations, such as Minister of Development, Undersecretary of Treasury and Minister of Labor and Social Security Employment in Turkey. Professor Aras is working with business closely and she is acting as *Emerald Development of Governance and Responsibility* of several institutions and Independent Board Member of “Turkish Capital Market Association (TCMA).”