

Dear Readers,

It is my pleasure to introduce the first issue of seventh volume of the *Journal of Capital Markets Studies (JCMS)* with a diverse range of papers focus on the new trends in capital markets and behavioral attitudes.

This issue begins with the paper of Jack Field and A. Can Inci titled “Risk translation: how cryptocurrency impacts company risk, beta and returns”. This paper aims to measure the effect of cryptocurrencies on the risk and return characteristics of publicly traded companies; decipher the motives behind holding cryptocurrencies as an asset class; and determine whether one reason for holding is more effective than another.

Arlindo Menezes da Costa Neto, Atelmo Ferreira de Oliveira, Aline Moura Costa da Silva and Alexandro Barbosa examine the value relevance of accounting information through Brazilian banks in the second paper. The paper develops a methodology on financial institutions of a developing country, using 24 publicly listed companies with a data range of 2017–2019. The results reveal that the disclosure index cannot be used as an explanatory variable for the market evaluation of financial institutions.

In the third paper, titled as “Does the Central Economic Work Conference (CEWC) affect the stock market?” written by Xian Wang, Yijian Zhao, Qingyi Wang, Huang Yixing and Gbedava George focuses on the orientation of the economy expressed in the communication of the Central Economic Work Conference (CEWC) of China and its relation with the stock market. This study seeks to explore which orientation of the economy may have a stronger impact on the rise of the stock market and aims to provide investors with better investment strategies by identifying the stronger developmental words connoting orientation of the economy (WOE). The paper provides empirical insights into the close relationship of the WOE of the CEWC to the stock market, and different WOE has different impacts on the stock market in terms of intensity.

Following, the paper “The effect of financial leverage on financial performance: evidence from non-financial institutions listed on the Tokyo stock market” intends to find the impact of financial leverage on the firm performance of non-financial companies listed in the Tokyo stock market. Richard Arhinful and Mehrshad Radmehruse collected data from 263 companies with a data span between 2001 and 2021. The study finds out that multiplier equity has a negative and statistically significant effect on return on assets and return on equity, as well as the degree of financial leverage has a negative and statistically significant effect on return on assets, return on equity and Tobin’s Q.

Fifth, Özgür İcan and Taha Buğra Çelik intended to examine the relationship between transparency and market efficiency by using prediction accuracy rates obtained by various machine learning algorithms and correlation analysis in the following paper titled as “Weak-form market efficiency and corruption: a cross-country comparative analysis”. Authors have concluded that it can be interpreted that the markets of countries with relatively more transparent and well-functioning public sector have more weak-form market efficiency.



We conclude the issue with the paper titled “Gender diversity and firm performances suffering from financial distress: evidence from Indonesia” co-authored by Ahmad Abbas and Andi Ayu Frihatni. They aimed to demonstrate gender diversity in the structure of corporate governance and test the effect of diversity on the firm performance suffering from financial distress, by using data collected from 467 public companies in Indonesia and logistic regression as the machine learning method. The authors have found that firms employing women and men (gender diversity) in the structure of the board of commissioners tend to suffer from financial distress lower than firms only employing men (non-gender diversity).

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. *JCMS*'s website is available at: <https://www.emeraldgroupublishing.com/journal/jcms>

Best Regards,

Professor Guler Aras

Editor in Chief, *Journal of Capital Markets Studies*

Guler Aras

About the Editor-in-Chief

Professor Guler Aras is an academic, civil society leader, and researcher who leads key studies on finance, corporate governance, corporate sustainability, and integrated reporting. She is a professor of Finance and Accounting at Yildiz Technical University in Istanbul, where she served as the Dean of the Faculty of Business and Dean of the Graduate School for many years. She spent a year as a visiting professor at Georgetown University McDonough School of Business in Washington DC. Founded the Center for Finance Governance and Sustainability (CFGS), she is known as the ambassador of governance and sustainability. Professor Aras, who is a member of the Integrated Reporting and Connectivity Council -IRCC, the advisory body to the IFRS Foundation Trustees, the IASB, and the ISSB, pioneered a global initiative with the Integrated Reporting Association Turkey (ERTA), of which she is the founding chair.

Professor Aras is the author of more than 25 international books. She contributed to more than 300 articles in international journals and conferences and carried out numerous granted international projects. She is also the founding Editor-in-Chief of the *Journal of Capital Market Studies*, and Editor of Routledge's Finance Governance and Sustainability Book Series. Professor Aras is the founder and board member of numerous national and international professional and academic organizations and a member of the Accountancy Europe Corporate Governance Task Force. She has spoken extensively at professional and academic conferences and has served as a consultant to several governmental and commercial organizations such as the Minister of Development, Minister of Finance, Undersecretary of Treasury, and Minister of Labour and Social Security Employment in Turkey. She also serves as a board member of the Turkish Capital Markets Association. Professor Aras writes a newspaper column. She focuses on the education of the next generation of academics and business leaders who could promote sustainable solutions for societal and corporate challenges. She has been crowned one of the most inspirational women in Turkey for 2020.