Thank you, Chris and Dean Garrett, for your gracious remarks.

Good morning. Welcome to the 2019 Annual Conference of the Jacobs Levy Equity Management Center for Quantitative Financial Research. Ken and I established the Center in 2011 in honor of our firm’s 25th anniversary. Our goal was to spur the creation of ideas that make a real impact on the practice of finance.

The theme of this year’s conference is “Frontiers in Quantitative Finance.” Sixty-seven years ago, Harry Markowitz published modern portfolio theory’s seminal paper, “Portfolio Selection.” In contrast to some other fields of scientific inquiry, ours is quite young. Our body of knowledge is subject to constant reappraisal in light of new insights, new technology, and new data.

Nothing illustrates this point better than the papers that will be presented today.

Our first presentation, “Anomaly Time,” by Matthew Ringgenberg, examines the persistence of anomaly returns. I won’t give away the findings, but I will offer a piece of advice: Strike while the iron is hot! Patty Dechow will discuss Matthew’s findings.

Our second topic of the morning, “Accounting for the Anomaly Zoo: A Trading Cost Perspective,” by Andrew Chen, examines anomaly returns post publication. Another piece of advice: You need to use anomalies in a sophisticated and cost-effective way to profit from them. Ingrid Tierens will be the discussant.

Following lunch, we’ll present the 2018 Jacobs Levy Center Research Paper Prizes. A panel discussion will follow on “Accounting Informativeness: 50 Years Since Ball and Brown.” Our panel members are S.P. Kothari, Scott Richardson, Richard Sloan, and Dave Zion. Cathy Schrand will be the moderator.

Next, Leonid Kogan’s paper, “A Production-based Economic Explanation for the Gross Profitability Premium,” examines the sources of the gross profitability premium which in recent years is included in many factor models. Jessica Wachter will comment on the paper.
The conference will culminate with the presentation of the 2019 Wharton-Jacobs Levy Prize for Quantitative Financial Innovation to Ray Ball and Phil Brown. Ken and I will present the prize medals in recognition of their influential work linking stock prices to accounting data. Ray will accept the medals on behalf of himself and Phil, who is unable to join us today.

All of you are invited to the cocktail reception at the end of the program. Ken and I look forward to chatting with you. And now, I will turn it back over to Chris, who will introduce today’s first speaker.

Thank you.