Foreword

Daniel Stavárek

School of Business Administration,
Silesian University in Opava,
Univerzitni nam. 1934, 733 40 Karvina, Czechia
Email: stavarek@opf.slu.cz

Biographical notes: Daniel Stavárek is currently a Professor of Finance and Dean at the School of Business Administration in Karviná which belongs to the Silesian University in Opava, Czechia. His research interest focuses on international finance and banking with strong accent on the process of convergence and European monetary integration.

The papers published in this *IJTGM* special issue have been presented at the *16th International Conference on Finance and Banking* which was held in Ostrava (Czechia) on October 11–12, 2017. The main theme was *Rethinking Risk in Financial Markets and Institutions*. The conference started with keynote speeches. The first talk was delivered by Olivier Le Curtois, a Professor at Emlyon Business School in France. The second keynote speech was given by Petr Teplý, an Associate Professor at Charles University in Prague. In the following program, almost 40 papers selected by the Program Committee were presented and discussed by 60 participants from 12 countries.

The papers appearing in this special issue successfully passed a multi-stage review procedure. First, all manuscripts intended to be published in the special issue were initially evaluated by the guest editor. Only authors of the papers that fulfilled the publisher's requirements for the conference papers were forwarded to a double blind review. Each of the papers was hence reviewed by three experts and authors of the conditionally accepted manuscripts were encouraged to revise the paper and address the referees' comments and suggestions. Finally, seven papers were accepted for publication in this special issue.

Financial sectors can be usually distinguished as bank-based or market-based according to the importance of banks and financial markets in transformation of savings into investments. The first three papers in the special issue analyse various aspects of performance and risk management in banking. Palečková deals with question whether banks that belong to financial conglomerates are more profitable than other banks in banking sectors of the Visegrad countries. She reveals substantial differences in profitability and concludes that the banks affiliated with a large conglomerate are generally more profitable than other banks across the analysed countries. The second paper by Pavković et al. also addresses the issue of banking profitability. In addition, the authors link profitability with efficiency of banks and focus on Croatia's banking sector. They conclude that the highest profitability and efficiency scores are usually achieved by the largest banks in the sector including the crisis and post-crisis periods. Dziwok recapitulates in her paper that the global financial crisis had enormous effect on banking

Copyright © 2018 Inderscience Enterprises Ltd.

regulation and supervision and caused implementation of the Basel III norms concerning regulatory capital requirements. She contributes to the discussion on modelling risk in banking by comparison and critical assessment of different approaches for modelling operational risk.

The remaining four papers of the special issue investigate selected issues of development and investing on financial markets. Cerqueira and Pereira examine the cross-sectional association between earnings quality and firm-specific return volatility for a sample of UK firms listed in the London Stock Exchange. They come to the conclusion that poor information environments resulting from poor earnings quality are associated with higher firm-specific return volatility. Moreover, this association becomes stronger after combining accruals quality and the dispersion in analysts' forecasts to describe a poor information environment. Pražák and Stavárek focus on stock exchanges in the Visegrad countries and elaborate the linkages between financial condition of companies expressed by financial ratios and stock prices development. With a special attention on energy and financial sectors they reveal that profitability and debt ratios are the indicators with strongest impact on stock prices. Dluhoš analyses development of financial markets from the perspective of management of pension funds in Slovakia. He compares the performance of actively and passively managed pension funds in a risk-return environment and provides empirical evidence that the funds with a passive management approach offer better results for clients during the post-crisis period. Benada extends the scope of the special issue on commodity markets by examination of price risk hedging for crude oil and natural gas. He is experimenting with several methods of hedging and precisely compares the success rates of selected strategies. He finds that different approaches to hedging should be applied to crude oil and natural gas as the universal approach does not lead to satisfactory hedging results.