

EDITORIAL

Financial theory defines various categories of asset classes, such as shares, bonds (or tools with fixed interest rates), currencies, real estates and commodities. In the past decade, financial and capital markets have undergone highly dynamic development. Suddenly, everything, even hedge funds, which aim at reaching the “absolute return”, private equity, but also volatility started to be referred to as asset classes.

The differences between institutional and private investors have been erased. Global barriers have been removed as well as the minimum amount necessary for investments. All market participants now have the opportunity to allocate their means quickly to very specific financial instruments.

This change dynamics has had its impact on other fields; however, these may not realize the risks related to investments in asset classes. It is a well-known fact that from a long-term perspective, particular asset classes bring revenues which correspond to the risks connected with investments into them. Above-average revenues are usually connected with above-average risks.

Therefore, the content of *Financial Assets and Investing*, the journal you are now holding, focuses on the development, analyses, efficiency and performance of capital and financial markets; the analyses, development and performance of particular financial instruments traded on these markets; banking and the insurance industry and their regulatory framework; accounting and tax regulations concerning trading on capital and financial markets and individual investment instruments; also the assessment, analysis and comparison of risks connected with these investment instruments, but also their development tendencies, their usage in entrepreneurial activities, and the impact they have on the economy of entrepreneurial entities.

The first issue of the journal is bringing two reviewed papers. The first one, written by Kateřina Randová, analyses the potential impact of the relevant Directive implementation into the Czech VAT Act on the tax liability of the suppliers of locally supplied services. The author of the second paper, Svend Reuse, deals with the question whether alternative risk models lead to different results compared to the classical variance/covariance approach. Two reviews of professional books follow.

We believe the presented papers will attract your attention and enrich your knowledge in the field of finances.

Martin Svoboda