*International Journal of Forecasting'*s Best Paper Award Announced

The Directors of The International Institute of Forecasters are proud to announce the award for the best research paper in forecasting published in the *International Journal of Forecasting* in the years 1992-1993:

> C.W.J. Granger, "Forecasting stock prices: Lessons for forecasters,"
> *International Journal of Forecasting*, 8 (1993), 3-13.

The award was made on the basis of recommendations by the editors and associate editors of the *IJF*, and the directors of the Institute. Accompanying the award is a check for $1000 from the Institute.

Congratulations to Professor Clive Granger for his important contribution to the art and science of forecasting. Throughout his distinguished career as an economist and econometrician, Clive has never lost sight of the need to make practical contributions to improving forecasting accuracy. Advances in statistical analysis were never seen as an end in themselves. There must be few others in forecasting whose interests have been so wide with many of the avenues he has explored leading to major areas of creative research opportunity. A full review of his intellectual contributions to forecasting would require a monograph in itself, His early work on combining forecasts ("The combination of forecasts," *Operational Research Quarterly*, 20 1969, with Bates)) and forecasting competitions ("Experience with forecasting univariate time series and the combination of forecasts," *Royal Statistical Society (A)*, 137 1974, with Newbold) were seminal papers defining areas of forecasting research which still remain active. More recently he has considered non-linearities in various forms and developed the notion of co-integration. Clive has also analyzed two applications areas in considerable depth: electricity demand and financial time series.

It is for Clive's survey paper of the successes (and failures) in financial forecasting of stock prices that the award is made. His interest in financial time series goes back at least as far as his book with Morgenstern, *Predictability of Stock Market Prices*. In this recent survey he examines the considerable body of research work that has been undertaken in the last twenty years, being gently critical of many of the fads seen over this period. Notions of chaotic behavior is the most recent and (unsurprisingly) Clive is not encouraging as to its possibilities. In his conclusions, Clive returns to what has been a reoccurring (and much ignored) theme of the academic forecasting profession: the need to evaluate forecasting methods appropriately. In summary, the award of best paper in made to Clive Granger's "Forecasting stock prices: lessons for forecasters" as an exemplary survey that offers a critical and insightful analysis of the achievements in stock market price forecasting with a clear view as to the aims of the research and direction needed if they are to be achieved.