



Cliff's Perspective

Smart Beta: Not New, Not Beta, Still Awesome

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Though some confusion continues regarding the subject, the term “smart beta” (including “Fundamental Indexing”) is just a new way to describe some well-known and well-tested investment ideas. An article I wrote for *Institutional Investor* nearly eight years ago made this clear, as did a presentation I delivered at the Q Group in 2007.

However, we work in a business where it’s not uncommon to see good ideas repackaged as something new and that is not always a bad thing at all. Smart beta is the latest example. So John Liew and I have written a [new article](#) explaining that smart beta is neither new nor really beta (at least the “smart” part isn’t), but is, in our view, worth having in your portfolio.

By the way, to find those older pieces I mentioned above, which may be subsumed by John and my current work but might still be fun to look at, please look at the II article “[The Value of Fundamental Indexing](#)” and the Q Group presentation “[Non-Cap Weighted Indexes](#).”

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