

# Review of: "Sectoral Herding Contagion on Eve of New Year"

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**Potential competing interests:** No potential competing interests to declare.

The manuscript deals with an interesting issue and contributes to the knowledge about behavioral finance. The author conducted the study in a relatively consistent and concise manner. However, I would like to suggest some corrections that might improve the manuscript's quality:

- English should be improved; there are several sentences that are incomplete and unclear. The proofreading of the text is strongly suggested.
- The Abstract should be more informative and precise. For instance, in the sentence "The first aim of this study is to examine herding contagion by Cross Sectional Absolute Deviation (CSAD) between domestic and foreign countries.", it is unclear which countries are "domestic" and which are "foreign". The aim of the study, as far as I understand, is to examine the herding contagion in the USA and China.
- In the Introduction section, the author should better explain the motivation for the study and how it adds further to the state of knowledge about the herding contagion in the stock markets.
- After the Introduction, the Literature Review section should be the second section, not the subtitle "Contagion" which is within it.
- The second hypothesis should be supplemented: "Contagion effect due to herding behaviour is significantly present in sectors of stock markets *in the USA and China* during calendar events."
- The author should be more cautious with the statistically insignificant results and to better explain their impact on the overall findings.
- In Conclusion, the policy implications and the benefits of the study for all stakeholders should be stated in a more explicit way.

Thank you for the opportunity for me to review this manuscript.