

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

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The research question the papers tries to answer is interesting and relevant. However, the paper presents some points that could be addressed to improve it. The papers concludes in terms of the US and Asia countries BUT only studies the New York and Shanghai stock markets and should not generalize. Also, paper only uses 9 last days of December and 9 first days of January which limits the study. Author should fist Analí e all daily data available for the years used and observe if there are patterns of behaviours in other dates or calendar events such as Thanksgiving or summer as well as in new year. Then answer if behaviour observed in new years is different, stronger, etc. is there any other time in the calendar when one could observe contagion due to herding behaviour and if this is different from what one may expect to observe in new year? Author should better explain in a precise way how with the methodology proposed "movements in the New York Stock market have substantial impact on the Shanghai stock market during calendar events " as stated by author. How was this "substantial impact " measured? Is this impact surely higher than other impacts or than impact of the New York stock market on other countries? Paper is missing hard behaviour, contagion and herd behaviour and contagion in financial markets literature found in complex economics. Measures used are based on averages but when data is not distributed in bell like shape one should use medians and a complete description of the distribution not only medians or averages. Why Pearson correlation. Author should use Spearman correlation. Models presented in equations 4 and 5 present serious omission of variables and are missspecified. Author should change model or at least explicitly control for other things. What type of behaviour is "anti-herding" precisely?