

Review of: "Conundrums of the Liquidity Determinants of Commercial Banks in Ethiopia"

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Potential competing interests: No potential competing interests to declare.

Thanks very much for giving me the opportunity to read an interesting article titled: Conundrums of the liquidity determinants of commercial banks in Ethiopia. Employing 15 commercial banks in Ethiopia from 2011 to 2021, the findings show that bank profit, interest rate margin, concentration ratio, and inflation have significantly adverse effects on bank liquidity. However, capital adequacy has no significant effect on the bank's liquidity. Besides, the growth of the gross domestic product and exchange rate significantly enhances the bank's liquidity.

Although the study is well organized, I have major issues about some aspects of the article that need to be addressed before considering it for publication.

1. Introduction

Authors should link the problem studied to the objectives of the study. Moreover, authors should add a paragraph on the novelty and motivation of the article. Further, there was no contribution of the study. Authors should make another paragraph indicating the contribution of the study in the introduction. The contribution of the study should be practical to stakeholders and policymakers' groups.

1. Literature review

Please add a section to the literature review that streams in the literature by reviewing all other prior studies in the literature, since there are many studies that have researched this relationship. Afterwards, make the research gap clear and what the article intends to fill in the literature. Please enhance the hypotheses by linking the theory, showing how the independent variables will promote the dependent variables, and then followed by the empirics. Currently, the hypothesis is very dry.

1. Methods

Please explain why the study used Ethiopia and why authors employed the period between 2011 and 2021. Moreover, why only 15 commercial banks? Why did the study consider financial companies and not non-financial companies? Please explain clearly. Also, explain the types of variables used, especially why you employed the control variables. Explain to make the study standard and interesting. Please add the data sources to Table 1 and the study variables.

1. Study Results

Please add the Hansen test results to the GMM results in the table. The discussion of the results is sound.

The conclusion of the findings is sound.

Best wishes for the manuscript.