

Review of: "An Empirical Examination of Collateralization in Financial Markets"

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The study provides a comprehensive analysis of the impact of collateralization on financial markets. The authors show that the model-implied price of a collateralized contract is very close to its market price, which suggests that the model is fairly accurate. The study provides valuable contributions to the field of finance and has important implications for policymakers, investors, and financial institutions. However, I have several comments on this study.

1. A more detailed discussion is needed about the limitations of the model used for pricing financial instruments under different collateral arrangements. It would be useful to discuss the assumptions and limitations of the model in more detail.
2. Latest data issues. The authors have tested the pricing model using data up to 2012. I would like to know if the validity of this model is still valid in the current market conditions. In other words, I suggest the authors verifying the pricing model using the latest data to demonstrate the effectiveness of the model.
3. The implications of the findings for different stakeholders, such as policymakers, investors, and financial institutions could be added.