

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

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Potential competing interests: No potential competing interests to declare.

Sectoral Herding Contagion on Eve of New Year

Abstract:

The abstract remains with no changes from the first version. Thus, for this version, my comments are the same as the first review.

Introduction:

All of my previous comments were addressed.

Literature review: 1. Herding behavior + 2. Contagion

Some of the previous comments were addressed. However, it should be: i. briefly explained the relevance and significance of studying herding behavior and contagion in financial markets and how this review contributes to the paper's objectives; ii. included more recent references to reflect the current state of research on herding behavior and contagion in financial markets; iii. included more recent studies on financial contagion and its relationship with herding behavior; iv. improved the literature review on the existing knowledge gap that the current study aims to fill (What specific contributions does this study make to the existing literature?); v. presented the H1 and H2 in the methodology section, where the research design and approach are described.

Research Methodology

None of my previous comments on this section were addressed. Thus, my suggestions are the same as in my preview review.

Results and Discussion

As suggested in the previous review, the obtained results should be discussed considering previous studies' findings on this subject.

Conclusion

None of my previous comments on this section were addressed. Thus, my suggestions are the same as in my preview

review (i. identify what models are outperformed by “the non-linear term”; ii. acknowledge potential limitations and address the scope of the research, to generalize the findings; iii. suggest future research to explore the underlying reasons for the persistence of herding contagion; iv. introduce a discussion of the practical implications of the findings for investors and policymakers.)