EDITORIAL COMMENTS FORM

EDITORIAL COMMENT'S on revised paper (if any)	Authors' response to editor's comments
I have few remarks authors may go over them. -Price to Tangible Book Value ratio measures the market price of a company's stock compared to its tangible book value per share. If it is lower than one the stock is potentially undervalued, as the market values the company's tangible assets below book value. If it is higher than one, than investors are willing to pay a premium for the company, possibly due to expected growth or earnings potential. This ratio is particularly relevant for valuing companies where tangible assets play a major role in their operations, like banks, real estate, and manufacturing firms. -The paper considers 101 regional banks in the US economy for a 10 years of time. Panel econometric techniques are used for this purpose. - Authors choose fixed effect compared to the OLS for estimating the P/TBV ratio. There are more than 4000 regional banks in the US and how authors chosen these 101 banks is not clear in the text.	• Section 1 pp 4 talks about the importance and mechanics of P/TBV. We've included >1.0x and <1.0x to add more numerical context to the paragraph. • Over 20-years was considered • Banks that are considered regional are about 102 in the United States as of 2022 and 134 in 2024. The other Banks making up the 4000+ include a combination of regional banks and community banks organizations. Our focus was on regional banks. Also, the rationale for selection was included in section 2.1. • We have included the criteria for selecting the independent variables can be found in the paragraph under table 1. These variables are consistent with the CAMEL framework, investors and regulators are interested in them, and they are consistent with existing literature. Included in last paragraph under section 1.2 • The explanation is included in section 3.2, pp 2 with references to supporting literature.
- The dependent variable is P/TBV but the independent variables such as ROA and ROE are chosen without a rational and citing other purposes for this selection is essential.	• In the introduction, we highlighted the crucial role regional banks play in serving communities often overlooked by larger institutions. However, this study does not draw comparisons between large and small U.S. banks or examine how bank size might impact sector confidence. Consequently, Sahin's work may not be directly relevant to our focus. • In our next piece investigating the regional banking sentiment after the recent bank failures, Sahin's work will come in handy.
- What is the contribution of the paper to the literature? This may be stressed in detail within the text especially in the introduction section. - Explain this finding more: "The variable for bank size, as measured by total assets, shows a negative and significant relationship with bank valuation, indicating that smaller banks tend to have higher valuations than their larger counterparts." -In terms of confidence in banking in the US, what is the importance of regional banks compared to national banks? Does bank size or other indicators essential for improving confidence in banking? Authors may elaborate this within the context of Sahin (2022). (see Sahin, 2022, chrome-	

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Sources SAHIN, Afsin (2022). "The Effects of the Confidence in the US Banking Sector to the Economic Growth: An Application of the Smooth Local Projections Method for Estimating Impulse Responses", *Journal of Applied Economics and Business Research*, Vol. 12, No. 1: 1-19.	