

Review Form 1.7

Journal Name:	Asian Journal of Probability and Statistics
Manuscript Number:	Ms_AJPAS_110982
Title of the Manuscript:	Panel Vector Autoregressive Modeling of Macroeconomic Interaction in Nigeria, Ghana and Cameroon.
Type of the Article	

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PART 1: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
Compulsory REVISION comments 1. Is the manuscript important for scientific community? (Please write few sentences on this manuscript) 2. Is the title of the article suitable? (If not please suggest an alternative title) 3. Is the abstract of the article comprehensive? 4. Are subsections and structure of the manuscript appropriate? 5. Do you think the manuscript is scientifically correct? 6. Are the references sufficient and recent? If you have suggestion of additional references, please mention in the review form. <u>(Apart from above mentioned 6 points, reviewers are free to provide additional suggestions/comments)</u>	<p>1. Yes. The study exhibits a commendable approach by employing Panel VAR modeling and estimation to delve into the macroeconomic interactions of Nigeria, Ghana, and Cameroon. The research's primary goal is to unravel the complex relationships among crucial indicators, namely GDP, exchange rates, and foreign reserves.</p> <p>The methodology employed is meticulous and robust. By adopting three macroeconomic variables and utilizing annual secondary data from the World Bank spanning over six decades, the study establishes a comprehensive foundation. The inclusion of pretests, such as unit root and cointegration tests, demonstrates a commitment to ensuring the reliability of the chosen variables. The panel unit root tests provide a thorough assessment, indicating the presence of unit roots at levels but stationarity at the first difference—highlighting integration of order one. The absence of co-integration in the panel co-integration test sets the stage for the subsequent estimation of a panel vector autoregressive model.</p> <p>The results section unveils insightful trends in the macroeconomic variables. The analysis of GDP, exchange rates, and foreign reserves over time reveals a dynamic landscape, with notable shifts in the 1960s and 1970s and subsequent increases and fluctuations. The incorporation of descriptive statistics adds depth to the understanding, emphasizing variations among the countries. Cameroon stands out with higher GDP per capita and a greater standard deviation, indicative of more pronounced economic fluctuations. In contrast, Ghana displays lower per capita income and a lower standard deviation. Foreign exchange rate variations are notable, with Cameroon having the highest mean rates and Ghana the lowest.</p> <p>The decision to employ a fixed effect model, guided by the Hausman Test's rejection of the random effect model, showcases a thoughtful consideration of statistical methods. The subsequent results indicating the joint significance of foreign exchange rates on GDP per capita, while foreign reserves do not exhibit the same impact, add nuance to the findings.</p> <p>The conclusion draws upon these comprehensive analyses to recommend vigilant monitoring of GDP per capita, foreign exchange rates, and foreign reserves. The emphasis on the responsiveness of the economies to these variables underscores the practical importance of these findings for economic practitioners in Nigeria, Ghana, and Cameroon. The call for active monitoring serves as a prudent policy implication, urging decision-makers to stay attuned to these economic variables for more informed decision-making in the face of potential shifts in economic indicators. In sum, the study not only contributes to the academic understanding of these economies but also provides actionable insights for policymakers and economic practitioners.</p> <p>2. Yes. 3. Yes. 4. Yes. 5. Yes. 6. Yes.</p>	
Minor REVISION comments 1. Is language/English quality of the article suitable for scholarly communications?	Yes.	
Optional/General comments	<p>This study employs a comprehensive approach, utilizing Panel VAR modeling and estimation, to scrutinize the macroeconomic dynamics of Nigeria, Ghana, and Cameroon. By focusing on key indicators like GDP, exchange rates, and foreign reserves, the research aims to uncover intricate patterns and interdependencies.</p> <p>The methodology section reflects a robust foundation, employing rigorous pretests such as unit root</p>	

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	<p>and cointegration tests, ensuring the validity of the chosen variables. The careful consideration of panel unit root tests further solidifies the statistical approach, revealing the stationary nature of variables at the first difference.</p> <p>The results section provides valuable insights into the historical trends of the macroeconomic variables, uncovering a shifting landscape with distinctive patterns among the countries. The descriptive statistics offer a nuanced perspective, highlighting variations in GDP per capita and standard deviation. The conclusion draws on these findings to recommend vigilant monitoring of GDP per capita, foreign exchange rates, and foreign reserves, emphasizing their significance in shaping economic indicators.</p> <p>The decision to opt for a fixed effect model, guided by the Hausman Test, adds a layer of sophistication to the analysis, enhancing the reliability of the results. The conclusion, derived from the estimated model, underscores the responsiveness of the economies to key variables, with foreign exchange rates demonstrating joint significance on GDP per capita.</p> <p>In practical terms, the study's policy implications are clear: economic practitioners in Nigeria, Ghana, and Cameroon should prioritize the continuous monitoring of the identified macroeconomic variables. This proactive stance is essential for anticipating economic shifts and making well-informed decisions. Overall, the study offers a valuable contribution to the understanding of the economic dynamics in the specified countries, providing a foundation for evidence-based policy recommendations.</p>	
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PART 2:

	Reviewer's comment	Author's comment <i>(if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
Are there ethical issues in this manuscript?	<i>(If yes, Kindly please write down the ethical issues here in details)</i>	

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