



SDI Review Form 1.6

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	2014_BJEMT_13308
Title of the Manuscript:	Bitcoin: Exchange Rate Parity, Risk Premium, and Arbitrage Stickiness
Type of the Article	Original Research Article

General guideline for Peer Review process:

This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound.

To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)



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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)
<u>Compulsory</u> REVISION comments	The data span is very narrow from 2011-2013. Is it possible to obtain pre data. Since a regression analysis needs more data. Why do you use daily data and what advantage you get? The aim of the paper and what trying to show is not clear and should be stressed more. Explain the sentence "The core results that this paper attempts to reveal is whether the Bitcoin parity exchange 201 rates equal the spot market exchange rate." better in the text. Use a different word rather than investment in "This paper suggests that Bitcoin has two roles: as currency and as investment objectives." Explain what the granger causality tests imply in deeper. I suggest authors to cite the paper, Sahin (2013) and debate more about the role of bitcoin in terms of money demand motives. Sahin, Afsin (2013). "Estimating Money Demand Function by Smooth Transition Regression Model: An Evidence for Turkey". Athens, and ATINER's Conference Paper Series No. MDT2013-0382, 2013.. Available at SSRN: http://ssrn.com/abstract=2260872	Thank you for the comment. The response is added from Line 132 and is highlighted. It is stressed in Line 38 and highlighted. It is explained from 207 to 209 and highlighted. I would like to ask for explanation from the reviewer about the improperness of using "investment" here in my article. It is a very commonly used phrase in numerous papers and books. I do not think the paper is very relevant to my research, methodology-wise or target-wise.
<u>Minor</u> REVISION comments		
<u>Optional/General</u> comments	The subject of paper is interesting and has a contribution to the literature.	