



SDI Review Form 1.6

PART 1:

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	2013_BJEMT_5519
Title of the Manuscript:	Predicting direction of stock prices index movement using artificial neural networks: The case of Libyan Financial Market
Type of the Article	Research Paper

General guideline for Peer Review process is available in this link:

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

- This form has total 7 parts. Kindly note that you should use all the parts of this review form.



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PART 2: Review Comments

	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>
<u>Compulsory</u> REVISION comments	The author(s) employs the ANN model to predict the stock prices for the Libyan financial market which is an emerging market. This work is a timely and meaningful study. However, in the manuscript, there are some problems which need to be revised. Only after that, this manuscript may be considered to publish in the journal of BJEMT. (1) The major problem in this manuscript is the author(s) only uses the ANN model to predict the stock prices and does not compare the outcomes for the ANNs with the results obtained by other models, such the random walk model which can be referenced the literature by Sun et al. (2010). [B. Sun, C. Xie, G. Wang, J Zhang. The combining prediction of the RMB exchange rate series based on diverse architectural artificial neural network ensemble methodology. BIC-TA 2010, 743-749]. If the manuscript does not make this comparison, the author(s) cannot explain the validity of the proposed model effectively.	
<u>Minor</u> REVISION comments	(2) In table 1, the data about 2009 and 2010 is seems incorrect, which should be revised. Besides, considering that the war in Libya would have an effect on the stock market in the future, so it should not to eliminate the LSI data in 2011. (3) In Page 3, the last paragraph, I find that the contents of introduction of Fig. 1 may be copied from other references, so the author(s) need re-written this section or present the references. Also, Fig. 1 may be copied from	



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	other references which should be cited. (4) In Page 7, Eq. (4), I cannot find the expressions of x_p and w^p, so Eq. (4) may not correct. (5) Below the Eq. (5), "According to Wythoff (1993) suggest that $\eta = 0.1 - 10 \dots$", $\eta = 0.1 - 10$ should be $\eta = 0.1 - 1.0$. At this point, I suggest use the expression $\eta \in [0.1, 1.0]$ rather than $\eta = 0.1 - 1.0$. (6) In Page 8, Line 7, I cannot find the variable of "n" in your defined expression of $E = (P_i - \hat{p}_i)$, so plz show the right expression. (7) Below the Eq. (8), the are two $\bar{p}_i$ in the interpretation. (8) Below the Eq. (10), "represents" should be "represent".	
<u>Optional/General</u> comments	(9) In table 2, there is a lack of explanation of some variables and formulas, such as RSI, MA. (10) This manuscript only sets two direction of LSM index movement, i.e., increasing or decreasing. Should the author(s) consider the situation that the LSM index would keep still?	

Note: Anonymous Reviewer