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Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	2013_BJEMT_7709
Title of the Manuscript:	Consolidation in Banking Industry - A Cross Country Experience
Type of the Article	Data Article

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PART 1: Review Comments

	Reviewer's comment The article analyses from my point of view very well the issue in the movements in the global banking sector regarding mergers and acquisitions. I appreciate that text of this article is terse and rich together and that information value of this article is high. The text contains relevant information given especially in tables no. 1, 2 and 3. They show clearly that intensity of M&A activities in the period which was analyzed (ie. 1985-2006) was stronger in the second half of the studied period. The tables with the results for selected regions of the global economy are very illustrative and in the further text well interpreted incl. identification of causes. They could, however, be possible for some regions explored in more depth. But it would require of course a greater range of text. However, for this framework of article, the justification is sufficient. Larger attention seems to be paid to the region of South-East Asia but maybe also the development in U.S. could be mentioned with more width regarding the local banking crisis in the 80th. Also, the finding of a strong growth of the ratio "commercial bank assets / GDP" in the U.S. upon continuing of relative fragmentation of the industry (in spite of the consolidation in this sector) is interesting. In my opinion, this article is positive contribution to the issue of M&A in banking across the world. It analyses from this perspective roughly twenty years that passed before the last financial crisis which affected almost whole the world and which resulted to the global economic slowdown and which caused recession in several part of the world especially in the U.S. and Europe. Naturally, the banking respectively financial institutions were originators of it as known. The form of the empirical analysis is chosen appropriately.	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	I have no complaints that would require substantial completion of this article. Ideally, it would be good to combine in some cases, the development of bank M&A in countries or regions with the development of their economies if the relationship was evident. But it can be useful in my opinion convenient in the next phases of research that the authors will continue. Just a suggestion for the future, not a complaint.	
<u>Minor</u> REVISION	May be only for information and generally, the development in U.S. during 80th could be mentioned. In this time not only the failure of the thrifts (ie. savings and	



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comments	loan associations) was recorded when almost one quarter of total number of these financial entities was failed. But many other banks failed too (between 1980 and 1994 more than 1,600 banks insured by the Federal Deposit Insurance Corporation (FDIC) were closed or received FDIC financial assistance). Although it is not directly related to the number of acquisitions, it illustrates the state of sector. Also, the structure of bank assets in the U.S. has changed, especially as to borrowing of the institutional sectors. And as for the overall indebtedness of the U.S. economy according data by the Fed, in 1975 of the last century the total debt was roughly at the same level as the U.S. GDP, but in 2006 it was three and a half of GDP. During period 1975-2005 the increase in indebtedness of financial institutions was the fastest, from 10% to 29% on the total debt in the U.S., while the share of debt of non-financial corporate declined from 33% to 19% and the share of households stagnated (from 28% to 27%). In Europe, a lot of acquisitions of the commercial banks from Western Europe (often relatively of small according of sum of assets) in the Central and Eastern Europe's countries was very successful. For example, Société Generale in the Czech Republic and in Poland or Italian UniCredit Bank in the Czech Republic and also Austrian Erste Bank in several countries of Central Europe and in Balkan countries as well. These subsidiaries are mostly in good conditions (often in better state compared to the parent companies) and they generate the profit because they did not suffer so much by the financial crisis in comparison with their parent companies. These facts could possibly be included on the article as a positive effect of European mergers and acquisitions.	
<u>Optional/General</u> comments	Mentioned above in the text (comment above the parts of Compulsory and Minor revisions).	

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