



SDI Review Form 1.6

Journal Name:	British Journal of Mathematics & Computer Science
Manuscript Number:	2014_BJMCS_9819
Title of the Manuscript:	Stock Market Behavior Prediction Using NN based Model
Type of the Article	Method 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	See below.	
<u>Minor</u> REVISION comments	See below.	
<u>Optional/General</u> comments	This paper is not suggesting creative method(s) or delivering empirically important findings. The paper can, at the most, serve as a general and brief introduction of the NN method for graduate students majored in Finance. The method described in the paper has long been adopted in industry (there are many software/packages using NN to predict the stock market behaviour) and is the first year class material for Master's of Science in Finance. Similar readings are widely distributed and presented on the websites. For example, http://www.student.nada.kth.se/~f98-kny/thesis.pdf https://www.youtube.com/watch?v=QoGUExdnSDA sharesforcast.googlecode.com/svn-history/r77/nn.pdf http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.134.1114&rep=rep1&type=pdf	Yes, we have presented back propagation model in our own way. We have removed some unnecessary materials and figures. We trained the NN model only



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	 The paper is also not following the academic journal standards. For example, a screen snapshot is very inappropriate. Majority of the paper materials need not show up—please delete them and save the space. Line 28-line 66 is undergraduate level reading. A research article need not tell the audience what is neural network with lengthy description. People are well-familiar with it since the 1980s. For example, White H. “Economic prediction using Neural Networks: The case of IBM daily stock returns”, In Proc. of the IEEE International Conference on Neural Networks, PP. 451-458, 1988. For the same reason, Line 143-192, Line 235-270 are also unnecessary. The results in Table 1 are missing very vital information: the author(s) only trained the NN for the close price. However, ignoring the high/low price can actually bring the return of the transaction to zero: the stop and limit orders might not be triggered. The paper also ignored the transaction cost and the possibility of realizing the arbitrage profit. As most of NN predictions-based transactions are automatically executed, the possibility of risk free return is low. The result the author(s) present is not helpful in empirical market operations frontier. In addition, what about the skewness and kurtosis of the forecast error? The reliability of the results needs to be greatly enhanced to warrant the robustness of the method.	for close price. Because we calculated the correlation among attributes there is so much dependency of attributes on close price. We also included some new innovative ideas for stock market concept and also included profit and profit (%). Now research shows the best time of purchasing and selling of stocks for users. We also added skewness and kurtosis factors for forecasted errors.
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