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Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	2014_BJEMT_13851
Title of the Manuscript:	EMPIRICAL ANALYSIS OF MONETARY POLICIES ON STOCK PRICE DISTORTION IN NIGERIA: IMPLICATIONS ON REAL SECTOR
Type of the Article	Original Research Article

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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.

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PART 1: 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	Please see below.	
<u>Minor</u> REVISION comments	Please see below.	
<u>Optional/General</u> comments	This paper covers a meaningful topic: price distortion and the macro variables' relationship. As the paper addressed, it examines the origin of distortions in stock prices, inflation rates, interest rates and foreign exchange rates as it relates to monetary policy initiatives and its implications on the real sector in Nigeria using two stage regression model, which has not been specifically tested by prior research in this area. The methods employed were persuasive and classic, and the results are therefore sound. My minor concerns are first, the author should address more why the price volatility is suggested as distortion. Though the author	



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	indicated that “price distortion is propagated as volatility, which is described by Wijnbergen and Edwards (1986) as tax, because highly volatile relative prices discourage the irreversible investment commitments to the real sector”, I am not convinced why volatility is mispricing. Fair price levels can be fast-changing and cause volatility <i>per se</i>. Another concern is the writing: please use less passive voices such as “It is found that share price distortion is influenced by monetary policy initiatives, interest rate, inflation rate and foreign exchange rate”.	
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Reviewer Details:

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