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SDI FINAL EVALUATION FORM 1.1

PART 1:

Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	**2014_BJEMT_12544**
Title of the Manuscript:	**ZIMBABWE STOCK EXCHANGE ("ZSE")'S EXPOSURE TO GLOBAL CRUDE OIL PRICE VOLATILITY**
Type of the Article	**Original Research Article**

PART 2:

FINAL EVALUATOR'S comments on revised paper (if any)	**Authors' response to final evaluator's comments**
Your argument for sticking with the Augmented Dickey Fuller is very weak. You will never see any problem if you use the Dickey Fuller or the Augmented Dickey Fuller test. But these tests might lead you to get results that are not perfect e.g they may say there is no unit root, whereas it is there. You will not be able to see this unless you use another powerful unit root test e.g the Phillips Perron or the KPSS test. Read the paragraph below: "Although the ADF is one of the most commonly used tests, it sometimes behaves poorly, especially in the presence of serial correlation. As a result of this, Phillips and Peron developed a more comprehensive theory of unit root non stationarity. The tests are similar to the ADF tests, but they incorporated automatic correction to the DF procedure to allow for autocorrelated residuals. The Phillips Peron test performs better than (or at least as well as) the ADF test in terms of comparative power and yields tighter confidence intervals (Cashins and McDermott, 2003:328). In addition to this, the Phillips and Peron tests are non-parametic tests of the null of the unit root and are considered more powerful, as they use consistent estimators of the variance (Sarris and Hallan, 2006:202). The Phillips Perron unit root test differs from the ADF tests mainly in how they deal with serial correlation and heteroscedasticity in the errors" Add a more powerful unit root test e.g Phillips Perron or the KPSS test.	**Augmented Dickey Fuller was replaced by Phillips Perron test.**