



SDI Review Form 1.6

Journal Name:	Asian Journal of Economics, Business and Accounting
Manuscript Number:	Ms_AJEBA_29823
Title of the Manuscript:	Price Setting Behavior in Vietnam: Evidence from a Survey
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 (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)
Compulsory REVISION comments	1-The paper lacks a "Literature Review" section. Indeed, some part of introduction is allocated to review of the previous studies, which should be transferred to the literature review section. 2- It is good to differentiate between monetary shock and real shocks, because firms may respond differently to monetary shocks compared to real shocks. 3- Any explanation on Table 3 on why the firms change prices more irregularly (71%)? 4- Are firms more backward looking or forward looking when changing their prices; and is there any different pattern among different industries? You briefly referred to this topic on lines 275-282, but it needs more explanation based on different industries. 5-When you discuss sticky prices (Section4.3) it is good to discuss sticky wages as well. Does sticky wage matter for sticky prices? It needs some explanation.	This comment completely contradicts with another reviewer's (Rev_AJEBA_29823_Ant) who said that the paper is "containing a good review of the literature." In fact, the introduction section already contains literature review and this is standard in academic papers. We don't think it is necessary to do so. We focus on the behavior of price setting. Regarding the response of prices to shocks (section 6) we already discuss how different they are in case of demand and cost shocks. Other real shocks are not questioned in the survey and discussion about them is of out paper's scope. Explained as suggested The patten does not change much across industries (added) This survey focused only on price setting behavior. Sticky wages may be a topic for another survey so we choose not to discuss it



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		in our paper.
<u>Minor</u> REVISION comments	1-In Table 1, there are some acronyms at the top of columns like Ha Noi, Da Nang, etc, which is not defined in the text. It is good to mention those variables in the text. 2- When you discuss Figure 6; firms responding to demand and costs shocks, it is also good to provide a figure on how firms respond to real shocks like oil shock compared to monetary shocks. You explain monetary contraction and expansion on lines 397-400 but you didn't discuss any real shock like an oil shock. Also, any explanation on why firms respond asymmetrically to different shocks (monetary contraction and monetary expansion)? 3- When discussing Table 5, exchange rate depreciation and its effects on prices, it s good to provide some explanation on why firms do not respond to exchange rate shock?	Added as suggested Sorry, no question in the survey about oil shock. Oil shock is one type of cost shocks which already discussed. Added Added
<u>Optional/General</u> comments	How does sticky wages affect the responsiveness of firms to monetary shock?	This survey focused only on price setting behavior. Sticky wages may be a topic for another survey so we choose not to discuss it in our paper.