



SDI Review Form 1.6

Journal Name:	Asian Journal of Economics, Business and Accounting
Manuscript Number:	Ms_AJEBA_35031
Title of the Manuscript:	Determinants and Transmission Channel of External Debt: Evidence from Malaysia
Type of the 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.

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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		
<u>Minor</u> REVISION comments		
<u>Optional/General</u> comments	Line 19; check your sentence Check the signs in table2 does not correspond with the signs in equation 3 especially for LnGDP Table 5 and equation 4 ; please check the signs in the regression result and the equation 4 I also strongly maintain that you should enlarge your literature review. Bring in past studies and their empirical findings.	Line 19 corrected. The expanded results in Table 4 had a negative constant (which was needless to show). Of course this was theoretically incorrect because it meant that if all the determinant variables were set to zero the log of external debt (the regressand) will be negative. External debt is a monetary variable which cannot be a negative value outside its range. The standard practice is to multiply the entire right hand side of the equation with a negative sign. This made the constant become positive and all other hitherto negative signs positive and vice versa. This is elementary maths which only normalises the results as Table 4 depicts. This is the same elementary maths procedure already explained above. Lines 122-136 aptly take care of empirical findings from relevant literature which is sufficient for an article.