



SDI Review Form 1.6

Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	Ms_BJEMT_25861
Title of the Manuscript:	Loan debt management: the optimal strategy formation
Type of the Article	Review paper

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)
Compulsory REVISION comments	The article is interesting contribution to issues of bad loans. My point of view is that, essentially, it is practically impossible to predict the development of bad loans on the level on the whole economy. Perhaps only according the phases of the economic cycle. Nevertheless, the authors are trying to solve this problem on the level of banking sector but they also admit that it is difficult. Theory of fuzzy numbers enables to observe the bad loans respectively their deviation from point of view of possibilities to sale them or, on the other hand, to restructuring. As regards of securitisation in form of the sale of some bad loans as a packages in the form of securities , all depends on the quality of underlying assets. Unfortunately, we were able to ascertain it during the financial crisis in 2007-2008, at first in the US financial markets and later on the global scale through off-balance sheet items of the banks operating worldwide . I think that the article is beneficial. However, it is necessary to note definition of the bad loans i.e. receivable without default (standard or watch) and receivable in default (substandard, doubtful, loss). Although the authors mention so called "dead loans" on the third page (row 59), it is not clear whether they are according classification "loss".	



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	It would be good to clarify it. On the second page (row 31-38) the shares of the bad loans with Bloomberg data resource for the US, Europe and Russia are mentioned. The share of the US seems to be very low even if we become aware bail-out of some financial institutions as a reaction on crisis (for example Citibank). Data about Europe seem to be credible due to economic situation especially in the euroarea, which is still fragile.	
<u>Minor</u> REVISION comments		
<u>Optional/General</u> comments		

Reviewer Details:

Name:	<i>Drahomira Dubska</i>
Department, University & Country	<i>University of Economics Prague, Czech Republic</i>