



**SDI Review Form 1.6**

Journal Name:	<a href="#">Journal of Economics, Management and Trade</a>
Manuscript Number:	<b>Ms_JEMT_42714</b>
Title of the Manuscript:	<b>An Analysis of the Effectiveness of Inflation Targeting Monetary Policy Framework in South Africa</b>
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. To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)



[SDI Review Form 1.6](#)

**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)
<p><b>Compulsory</b> REVISION comments</p>	<p><b>Two major things: What is unique here and where is your analysis of results?</b></p> <p><b>You summarize in page 2 that [13]</b> investigated the evolution of monetary policy in South Africa since the 1980s, through analyzing the various channels of the transmission mechanism. A VAR model was developed to illustrate the various channels of the transmission mechanism and demonstrate the time lags of monetary policy instruments. The results of the model indicated that there is a fairly long time lag of approximately one year before a monetary policy shock affects the level of real economic activity, and another year before it has an effect on the domestic price level.</p> <p><b>Is this not what your paper is about?</b></p> <p><b>Analysis: where is it? Your section 4.5 is incredibly small. You mention various forecast errors in the conclusion that I don't see elsewhere. The way you present the results is confusing because you only (briefly) discuss CPI and then conclude behaviour about M1...</b></p> <p><b>What exactly am I supposed to see to believe that Inflation targeting is effective or not...</b></p> <p><b>Example: you believe that inflation is not persistent based on your results. That is good from the Monetary Policy making bodies. Was it persistent before inflation targeting was the active protocol? Your sample is relatively small for this comparison to be made.</b></p> <p><b>Your concluding remark is about how long an inflation shock will affect the economy. I am not drawing any conclusions about your paper's title.</b></p> <p><b>Overall your setup, diagnostics, and writing are wonderful. It needs more analysis of the econometric results (and linking it to your main concern).</b></p>	
<p><b>Minor</b> REVISION comments</p>	<p>Small proofread errors:</p> <p>Example: Page 2 paragraph 2: 'empirical' should be empirically</p> <p>The VAR equation is sloppy. It looks like it is pasted from somewhere and the resolution is not very high. Can you take the time and type it in the equation editor of your word processing software?</p> <p>Citations are strange. I would prefer to see authors instead of endnotes. Also, in paragraph 2 of the literature review you wrote "W+ revealed" I have no idea what you are referring to.</p> <p>Your analysis in 4.5 says the sum of the AR(2) coefficients...I see only 1 coefficient. Did you mean the sum of the AR(1) and AR(2) coefficients? Also why 2 lags if you have suggested 3 from the SC and AIK table? Where is AR(3). It would be logical to include AR(3) if you are using monthly data (a whole quarter!)</p>	



[SDI Review Form 1.6](#)

<b>Optional/General</b> comments		

**Reviewer Details:**

Name:	<i>Timothy Haase</i>
Department, University & Country	<i>Ramapo College of New Jersey, Jersey</i>