

Paper: **“Risk-Based Asset Allocation in Factor Investing: Exploring the Inverse Factor Volatility Strategy”**

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Peer review:

Reviewer 1: Olukunle Ogundiran  
Olabisi Onabanjo University, Nigeria

Reviewer 2: Amir Mohammad Sohrabian  
International Information Technology University (IITU), Kazakhstan

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Reviewer A:

Recommendation: Revisions Required

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**The TITLE is clear and it is adequate to the content of the article.**

The title is adequate as it indicates the variables of studies and the relationship that subsists between them.

**The ABSTRACT clearly presents objects, methods, and results.**

The abstracts clearly presents object and results. However, the methods for analysis was not obviously stated in the abstract as this was replaced with the data source.

**There are a few grammatical errors and spelling mistakes in this article.**

The author maintained grammatical correctness.

**The study METHODS are explained clearly.**

Yes, the study methods are explained.

**The body of the paper is clear and does not contain errors.**

Yes, it does not contain errors.

**The CONCLUSION or summary is accurate and supported by the content.**

Though accurate, the author has not done a more robust study on the subject matter.

**The list of REFERENCES is comprehensive and appropriate.**

No, I believe the author should consult more authors so as to develop a more robust theoretical argument.

*Please rate the TITLE of this paper.*

[Poor] 1-5 [Excellent]

3

*Please rate the ABSTRACT of this paper.*

[Poor] 1-5 [Excellent]

4

*Please rate the LANGUAGE of this paper.*

[Poor] 1-5 [Excellent]

4

*Please rate the METHODS of this paper.*

[Poor] 1-5 [Excellent]

4

*Please rate the BODY of this paper.*

[Poor] 1-5 [Excellent]

3

*Please rate the CONCLUSION of this paper.*

[Poor] 1-5 [Excellent]

4

*Please rate the REFERENCES of this paper.*

[Poor] 1-5 [Excellent]

**Overall Recommendation!!!**

Accepted, minor revision needed

**Comments and Suggestions to the Author(s):**

1. The references should be adjusted and consult a more recent studies to develop a more robust study.

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Reviewer D:

Recommendation: Revisions Required

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**The TITLE is clear and it is adequate to the content of the article.**

The Title is clear while informative enough to cover the content of the manuscript.

**The ABSTRACT clearly presents objects, methods, and results.**

The abstract is well written and one can simply understand the purpose of the research, the study methods and the principal results.

**There are a few grammatical errors and spelling mistakes in this article.**

Grammar and sentence structure is adequate for the article. The writing is cohesive, smooth, interesting and grammatically sound. However, there is a typing error that should be repaired:

In the body of the manuscript, page#5, the pre-last paragraph, the author typed:  
 “This reduction in volatility not only indicates a diminution of risk but also supports our third alternative hypothesis (H3), indicating that the IFV strategy is characterized by lower volatility than its RP counterpart/”

The (/) should be erased and substituted by a full stop (.) at the end of the sentence.

**The study METHODS are explained clearly.**

The Design and Methodology are consistent with the purpose and quantitative research method is properly applied. Data and results are well-reported through solid statistical and analytical skills

while author successfully used the T-test as well as examining drawdown behaviors to compare the effectiveness and performance of IFV versus RP strategies for the portfolio management.

**The body of the paper is clear and does not contain errors.**

The introduction of the research definitely offers a good overview of the issue. The main Body of the manuscript is organized and well written. It also covers interesting discussion of the topic that not only provides one with the fundamental theoretical knowledge of it but also it accurately reveals and discusses the previous diversified empirical findings and researches done in this field of study.

**The CONCLUSION or summary is accurate and supported by the content.**

The conclusions and recommendations are supported by the results. The author makes clear the intended practical application of the research as well as its novelty. The author offered enough conclusive answers to the research questions and hypothesis to

perfectly finalize the work for the implications of portfolio managers seeking to optimize their returns while managing risk.

**The list of REFERENCES is comprehensive and appropriate.**

The references are appropriate, comprehensive, instructive and well-diversified. The authors used reliable sources of information, indeed. However, the following reference that is listed in the reference list is not cited in the manuscript:

3. Bhansali, V., Davis, J., Dorsten, M. P., & Rennison, G. (2012). The Risk in Risk Parity: A Factor-Based Analysis of Asset-Based Risk Parity. *Journal of Investing*, 21(1), 102–110.

In the page #9 of manuscript, the following reference that cited in the Manuscript is missed in the reference list:

Carhart, 1997

In addition, the reference listed below is general and unclear. The address should be mentioned clearly and in details so that by referring, the reader/researcher will be able to have access to the exact data related to the manuscript:

10. Yahoo is part of the Yahoo family of brands. (n.d.-a).

<https://www.finance.yahoo.com/>

***Please rate the TITLE of this paper.***

[Poor] 1-5 [Excellent]

5

***Please rate the ABSTRACT of this paper.***

[Poor] 1-5 [Excellent]

5

***Please rate the LANGUAGE of this paper.***

[Poor] 1-5 [Excellent]

5

***Please rate the METHODS of this paper.***

[Poor] 1-5 [Excellent]

5

***Please rate the BODY of this paper.***

[Poor] 1-5 [Excellent]

5

***Please rate the CONCLUSION of this paper.***

[Poor] 1-5 [Excellent]

5

***Please rate the REFERENCES of this paper.***

[Poor] 1-5 [Excellent]

3

**Overall Recommendation!!!**

Accepted, minor revision needed

**Comments and Suggestions to the Author(s):**

The author should carefully read and follow the references section of the ESJ Author Guidelines.

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