

## Review Form 3

Journal Name:	<a href="#">Asian Journal of Agricultural Extension, Economics &amp; Sociology</a>
Manuscript Number:	Ms_AJAEES_127079
Title of the Manuscript:	<b>Empirical Study on Interdependence of Coffee Futures Prices and Farm Gate Prices in Major Coffee Producing Countries</b>
Type of the Article	

### PART 1: Review Comments

<b>Compulsory</b> REVISION comments	Reviewer's comment	Author's Feedback <i>(Please correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
<b>Please write a few sentences regarding the importance of this manuscript for the scientific community. Why do you like (or dislike) this manuscript? A minimum of 3-4 sentences may be required for this part.</b>	This paper gives useful insights into the interrelationship existing between the coffee futures and farm gate prices in major coffee-producing countries. This is a topic of growing importance within the global agricultural economics field. By determining a stable long-run relationship between futures prices and farm gate prices, the study ascertains the manner in which global market movements influence local agricultural pricing. It therefore has much to tell policymakers, farmers, and traders, who each has to be aware of these interdependencies for price forecasting and the adoption of risk management strategies. The application of co-integration and Granger causality tests in this context is appropriate and lends robustness to the findings, therefore being a relevant contribution to the body of literature on agricultural commodity price dynamics.	
<b>Is the title of the article suitable? (If not please suggest an alternative title)</b>	The title is suitable as it accurately conveys the focus on the relationship between coffee futures and farm gate prices. However, it could be refined to make it more concise and engaging. Here is an alternative suggestion:  "Interdependence of Coffee Futures and Farm Gate Prices in Leading Coffee-Producing Countries: An Empirical Analysis"	
<b>Is the abstract of the article comprehensive? Do you suggest the addition (or deletion) of some points in this section? Please write your suggestions here.</b>	The abstract effectively introduces the study with regard to the focus on the relationship between coffee futures prices and farm gate prices in major producing countries. However, there are several instances where clarity and detail could be improved upon to make it more complete: Add Background Context: Briefly mention the significance of this relationship to stakeholders like farmers and policymakers. This would highlight the practical implications of the research.  <ol style="list-style-type: none"> <li>1. Clarify Objectives and Scope: The abstract could more clearly state the objective, such as "to examine how futures prices influence farm gate prices in coffee-producing countries" and mention the specific countries studied (e.g., Honduras, India, Uganda, Brazil). Including these specifics would provide a clearer picture of the study's scope.</li> <li>2. Improve the Explanation of Findings: Phrasing like "indication of equilibrium or long-run relationship" is somewhat ambiguous. It would be clearer to state that there is evidence of a long-run relationship between ICE futures and producer prices for both Arabica and Robusta coffee varieties.</li> <li>3. Include Practical Implications: Briefly mention how these findings could be useful, for example, in helping stakeholders develop better pricing strategies or manage price risks.</li> <li>4. Language and Flow Improvements: Simplify some of the language for smoother reading. For instance, remove extra words like "while" and streamline sentences to enhance readability.</li> </ol>	
<b>Are subsections and structure of the manuscript appropriate?</b>	The structure of the manuscript appears appropriate and well-organized. The sections flow logically from Introduction, which provides a solid foundation on coffee's global trade, regional production specifics, and economic impact, to Results and Discussion, where empirical analyses and tests (ADF, co-integration, Granger causality) are thoroughly discussed. Each test is clearly contextualized with its	

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	<p>role in understanding the relationship between futures and farm gate prices.</p> <p>The Results and Discussion section effectively organizes the findings from each statistical test, supporting the examination of short- and long-term relationships among price series. The Conclusion aptly summarizes these findings and relates them to the broader coffee market dynamics.</p> <p>Suggested Improvements:</p> <ol style="list-style-type: none"> <li>1. Tables: Tables are used well to display ADF, co-integration, and Granger causality test results, but consider separating tables into subsections (e.g., ADF Test, Co-integration Test) within the Results and Discussion to further streamline readability.</li> <li>2. Subsections for Clarity: Introduce additional subsections within Results and Discussion to specifically address each statistical method used, which will make it easier for readers to follow the analysis flow and understand each test's contribution.</li> <li>3. Visual Aids: It might be helpful to include graphs or charts, especially when discussing time-series analysis or the relationship between price series over time. This could make the patterns in the data more visually accessible.</li> <li>4.</li> </ol>	
<p><b>Please write a few sentences regarding the scientific correctness of this manuscript. Why do you think that this manuscript is scientifically robust and technically sound? A minimum of 3-4 sentences may be required for this part.</b></p>	<p>This paper exhibits scientific correctness along with technical robustness in using well-established econometric methods to analyze the interdependence of coffee futures and farm gate prices. In another instance, it applies the Augmented Dickey- Fuller test in verifying stationarity, that is, the data have to meet necessary preconditions for further analysis. The direction of causality among the price series, besides long-run relationships, is investigated, again very important in price discovery in coffee markets, using the Johansen co-integration test and Granger causality test. Besides that, the data sources seem to be reliable, and the inclusion of a large historical dataset from key coffee-producing countries increases the validity of the results. Hence they make the study technically sound and a good contribution to the literature on commodity price dynamics.</p>	
<p><b>Are the references sufficient and recent? If you have suggestions of additional references, please mention them in the review form.</b></p> <p>:</p>	<p>The references you've provided are a strong mix of foundational and recent sources. However, to ensure the manuscript reflects both historical context and current trends, it's worth noting that a few references could be updated or supplemented.</p> <ol style="list-style-type: none"> <li>1. Recent Literature: While you have a few recent references (e.g., USDA, ICO reports), more recent peer-reviewed articles from the past 2–3 years would strengthen the timeliness of your research. This could be particularly relevant if there have been shifts in the coffee market due to factors like climate change, trade policies, or market disruptions post-COVID-19. Consider including studies from 2022–2024 if available.</li> <li>2. Recent Research on Coffee Markets: Given that the coffee market is volatile and constantly evolving, I recommend searching for articles published within the last few years specifically on the futures market's role in price discovery or volatility. Journals like Journal of Agricultural Economics or World Development may have relevant, recent studies.</li> </ol>	
<p><u>Minor</u> REVISION comments</p> <p><b>Is the language/English quality of the article suitable for scholarly communications?</b></p>	<p>The language of the article is generally clear but could benefit from refinement to meet scholarly standards. Here are specific areas for improvement:</p> <ol style="list-style-type: none"> <li>1. Conciseness: Some sentences are wordy (e.g., "Coffee is key contributor of foreign exchange earnings..."). Simplify for clarity (e.g., "Coffee is a key foreign exchange contributor...").</li> <li>2. Grammar and Articles: Minor issues with articles and prepositions occur (e.g., "a major source of income for more than 12 million farms" should ideally specify "for over 12 million farms globally").</li> <li>3. Tense Consistency: The article sometimes shifts between present and past tense unnecessarily, which can disrupt flow. Consistency in tense (often present for general facts and past for completed studies) would improve readability.</li> </ol>	
<p><u>Optional/General</u> comments</p>	<p>The manuscript presents a well-structured analysis of coffee futures and spot markets, though some sections could benefit from clearer connections to real-world implications, especially in the context of India's coffee sector. The language is generally strong but would benefit from more concise phrasing in certain areas, particularly in the introduction and methodology. Including more recent studies and data, along with visual aids like figures or tables, could enhance the manuscript's impact and clarity.</p> <p><b>PLEASE SEE ATTACHMENT</b></p>	

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### **PART 2:**

	<b>Reviewer's comment</b>	<b>Author's comment</b> (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)
<b>Are there ethical issues in this manuscript?</b>	<i>(If yes, Kindly please write down the ethical issues here in details)</i>	

### **Reviewer Details:**

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