This is an interesting paper which argues that the timing and size of FDI involves crucial information on the motives of such FDI. This is an intuitive argument. When the exchange rate uncertainty is high, the authors find that FDI by experienced investors is more likely than FDI by other investors. A key implication of the model presented in this paper is, in the words of the authors that "if subjective uncertainty is time varying across investors then the aggregate response of investment to a change in macroeconomic variables will also vary." The paper tests the proposed theory with firm level data (Korea) during the exchange rate uncertainty - won/US$.

I have a couple of queries - please:

• is it reasonable that $\rho$ is normally distributed?
• could you provide for some of the steps on how (2) is obtained into (2)'?
• could you provide for detail on how (5) is obtained?
• what reason would there be that the Poisson models show over-dispersion?
• could you make sure that some of the sentences are re-considered in terms of punctuation? For instance, the sentence on p. 4 starting with "Domestic firms...domestic owners" would need additional punctuation.
• check spelling - please - f.i. 'disproportionable' - p. 6
• check absence of 'the' words - f.i. p.6: "...following the onset crisis..." (OF THE crisis)