

Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Oyu-Erdene Buyandelger
Advisor:	Aleš Maršál
Title of the thesis:	Exchange Rate Pass-Through Effect and Monetary Policy in Mongolia: Small Open Economy DSGE model

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

The goal of the thesis is to assess the implications of incomplete exchange rate pass-through into prices for the monetary policy. Author builds his analysis on the fairly standard small open economy DSGE model which is extended of endogenously generated incomplete pass-through. The model is calibrated to match the underlying macro data for the Mongolian economy. Calibration is based on author's own parameter estimates and related literature. Having a good representation of the Mongolian economy author evaluates various monetary policy regimes. The source of business cycle fluctuations in the model are productivity, domestic and foreign demand shocks. Consequently, various implications of these shocks for monetary policy optimal reaction are carefully discussed. To check the robustness of the implications author uses the sensitivity analysis to variations of degree of pass-through.

Oyu-Erdene demonstrates that she mastered the techniques of DSGE modeling and time series estimation. She showed that she is able to replicate well published paper and apply its results to study efficiency of monetary policy in Mongolia. She shows that she is familiar with related literature. The weakest point of the thesis is relatively large number of typos and imperfect English which makes the text sometimes difficult to clearly understand. On the other hand, during the work out of the thesis author made enormous progress on her academic writing style which should be taken into account. The structure of the thesis is logical

Oyu-Erdene responded to all my suggestions and several rounds of reviews, therefore I do not have any further comments. In case of successful defense I recommend excellent.

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	20
<i>Methods</i> (max. 30 points)	29
<i>Contribution</i> (max. 30 points)	27
<i>Manuscript Form</i> (max. 20 points)	15
TOTAL POINTS (max. 100 points)	91
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE:

DATE OF EVALUATION:

Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Oyu-Erdene Buyandelger
Advisor:	Aleš Maršál
Title of the thesis:	Exchange Rate Pass-Through Effect and Monetary Policy in Mongolia: Small Open Economy DSGE model

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong Average Weak
20 10 0

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

Strong Average Weak
30 15 0

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

Strong Average Weak
30 15 0

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Strong Average Weak
20 10 0

Overall grading:

TOTAL POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě