

# Report on Bachelor / Master Thesis

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

<b>Student:</b>	<b>Ján Popaďák</b>
<b>Advisor:</b>	<b>PhDr. Jaromír Baxa, Ph.D.</b>
<b>Title of the thesis:</b>	<b>Bond spreads: When do fundamentals matter?</b>

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

*Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.*

### **Contribution**

The submitted thesis investigates the dynamics of determinants of government bond spreads in EMU and non-EMU countries. In the empirical analysis, the author applies advanced statistical methods such as the Markov-switching model and Dynamic Model Averaging. The main finding of the thesis is the identification of the three bond pricing regimes – pre-crisis, crisis and post outright monetary transaction announcements.

### **Methods**

Methods used in the thesis are carefully described, and analysis is carried out properly.

### **Literature**

Literature used throughout the thesis is sufficient, and the author demonstrates good knowledge of it.

### **Manuscript form**

The structure of the thesis is clear and logical. I have only minor comments/suggestions for further work:

- there are some typos throughout the text, e.g., academic year should be 2018/2019
- in Czech abstract OMT abbreviation not defined
- some rather long sentences do not read well (p.2 last sentence in the first paragraph, p.8 first sentence in the second paragraph, p.8 pre-last sentence of the third paragraph, etc.)
- some abbreviations multiply defined (EMU on p.1 and p.4, ESI on p.8 and p.23)
- unclear data span: p.21 „I consider monthly data **possibly** from January 2000 to September 2017“
- explanatory variables do not need to be separated by subsections
- p.40 – reference to „figures 1-10 from the previous chapter“ should be replaced by a clear reference to either Figure 1 or Figure 2
- in References section, the same paper appears twice (Gómez-Puig, M. (2006): Size matters for liquidity)

### **Summary and suggested questions for the discussion during the defense**

Overall, the thesis is well structured, reads well and all methods and results are presented carefully. I have no additional question to be answered during defense thus in case of successful defense, I recommend grade “ A ”.

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

<b>CATEGORY</b>	<b>POINTS</b>
<i>Contribution</i> (max. 30 points)	29
<i>Methods</i> (max. 30 points)	29
<i>Literature</i> (max. 20 points)	20
<i>Manuscript Form</i> (max. 20 points)	16
<b>TOTAL POINTS</b> (max. 100 points)	<b>94</b>
<b>GRADE</b> (A – B – C – D – E – F)	<b>A</b>

**NAME OF THE REFEREE:** *František Čech*

**DATE OF EVALUATION:** 11.1.2019

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**Referee Signature**

**EXPLANATION OF CATEGORIES AND SCALE:**

**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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
30	15	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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
30	15	0

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

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	0

**Overall grading:**

TOTAL	GRADE
91 – 100	<b>A</b>
81 - 90	<b>B</b>
71 - 80	<b>C</b>
61 – 70	<b>D</b>
51 – 60	<b>E</b>
0 – 50	<b>F</b>