Report on **Master Thesis**

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

Student:	Bc. Na Liang
Advisor:	Mgr. Magda Pečená, Ph.D.
Title of the thesis:	Impact of Regional Differences on P2P Lending: Evidence from China

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 master thesis introduces the P2P Lending industry in general and concentrates on China specifically. It analyses the impact of regional differences (where China is divided into six homogenous regions) on the success rate of borrowing and subsequently default rate. It also searches for other drivers (especially personal statistics of the borrower) of the success rate and default rate. A very important part is devoted to regulation and supervision of P2P industry and its possible impact on prudence in different regions.
The subject-matter itself does not belong to the very hot topic of current financial industry. But actually is has found - over the last 10 years – its own niche in the market and serves certain client base in respective regions all over the world. Several such platforms were introduced in the Czech Republic, too (e.g. Zonky). Actually these platforms have originally had ambition to compete with the credit business of the banks but have not succeeded sofar (and some of them are even financed by banks, so it misses its primary philosophy in the end......).
Chinese market is enormous and in most regions rather undeveloped compared to the USA or western Europe. Therefore the thesis represents basic information summary and analysis of the drivers of the industry in China. For the outsider it is difficult to get acquinted with the situation in such an enormous market with completely different culture. So the main contribution of the thesis is the summary and evaluation/assessment of the information available. And in the end, the results of the analysis are not in contradiction with common sense.

Methods – I did not identify any major shortcomings in methods used: hypotheses are clearly stated, dataset described. The range of (econometric) models used was standard and the application of the models was appropriate.

Literature – I did not identify any big shortcomings in student's work with literature, the literature used was up-to-date. It shall be admitted that the literature on this topic is not mature enough, the data and their interpretation may be misleading (especially when evaluating data from developing countries). The overall work with the literature and data must be taken with caution.

Manuscript form and other typos – The manuscript for is not ideal, but this may be drawn to the different background of the student and knowledge of English that may not be sufficient for academic speaking and writing. Here must be noted, that Na made an enormous improvement since the first versions of the thesis.

Summary and suggested questions for the discussion during the defense -
As was noted above the main contribution of the thesis is the assessment of the information available from the Chinese market. I think in this message Na Liang succedded, although a long way is ahead of her before the analysis is perfect.

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

CATEGORY		POINTS
Contribution	*(max. 30 points)*	20
Methods	*(max. 30 points)*	20
Literature	*(max. 20 points)*	20
Manuscript Form	*(max. 20 points)*	15
TOTAL POINTS	*(max. 100 points)*	**75**
GRADE	**(A – B – C – D – E – F)**	**C**

NAME OF THE REFEREE: Mgr. Magda Pečená, PhD.

DATE OF EVALUATION: **20.8.2019**

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Referee Signature