



FACULTY  
OF SOCIAL SCIENCES  
Charles University

# Thesis Evaluation Report

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<b>Author:</b>	David Přerovský
<b>Advisor:</b>	Jiří Novák
<b>Title:</b>	Analysis of Effects of the European Monetary Union on Merger and Acquisition Activity in Europe

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## Summary

The Thesis analyzes whether a country's membership in the European Monetary Union (EMU) affects the volume of cross-border merger and acquisition (M&A) activity. It uses the difference-in-differences (DiD) and difference-in-difference-in-differences (DDD) approaches. It documents no effect of the EMU membership on M&A activity.

## Contribution

Even though the question of M&A activity has been extensively studied in prior research, I believe the author of this Thesis makes a valuable contribution to that literature by analyzing the impact of EMU creation and the impact of individual countries joining the EMU. I believe that it is reasonable to a priori expect that the elimination of cross-country frictions resulting from different currencies may have an impact on how interested firms located in the corresponding countries are to perform a cross-border M&A. Therefore, I believe that the Thesis provides a reasonable contribution to prior literature. In fact, I believe that the contribution would meet the requirements for a Master's Thesis rather than a Bachelor's Thesis.

## Literature

In my opinion, the author of this Thesis has acquired an in-depth understanding of the relevant literature and he provides a thorough and well-structured literature review. I also think that the author is able to understand and correctly interpret the individual papers and highlight the interconnections between them. I appreciate that the author is able to compare and contrast the findings in prior studies and to draw plausible conclusions about the current state of our understanding of this research area. I also appreciate that the author is able to use prior literature to motivate the aim of this thesis and the individual hypotheses.

# Methodology

I find the difference-in-differences (DiD) and difference-in-difference-in-differences (DDD) approaches suitable for analyzing the proposed research question. I believe the author provides a good overview of these methods and a solid discussion of issues related to their implementation. I appreciate that the author is aware of the conditions on which this methodology rests and provides a discussion of its limitations and the ensuing caveats.

# Form

I believe that the Thesis is well structured, the individual parts follow a logical order and they are well interconnected. The tables and figures are well-formatted and well-labelled, but I would appreciate more informative explanatory notes. I believe some parts of the text could be further refined to ensure a smooth flow of ideas. I believe the Thesis is written in very good English that respects the academic style of writing.

# Conclusion

I recommend the examination committee to ask the author (i) to further discuss the predicted effect and observed results on the impact of the EMU on the M&A activity from and to the EMU and from and to countries outside of the EMU and (ii) to further explain the motivation for the use of the triple-difference approach (DDD) and the difference in the interpretation of the results based on the regular DiD and DDD, and (iii) to discuss policy implications of the documented findings.

The results of the Urkund analysis do not indicate significant text similarity with other sources.

I believe that the Thesis fulfills and exceeds the requirements stipulated by the Faculty of Social Sciences, Charles University. I recommend the Thesis for defense. I suggest a grade "A" and I recommend the evaluation committee to consider nominating the Thesis for the Deloitte Outstanding Thesis (DOT) Award.

**Awarded Points and Grade**

Contribution (max 30)	29
Methods (max 30)	30
Literature (max 20)	20
Form (max 20)	18
<b>Total (max 100)</b>	<b>97</b>
<b>Grade (A – B – C – D – E – F)</b>	<b>A</b>

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**Referee's Signature**

6 May, 2021

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**Evaluation Date**

Jiří Novák

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**Referee's Name**

# Grading 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
91 – 100	A
81 – 90	B
71 – 80	C
61 – 70	D
51 – 60	E
0 – 50	F