

# Institut ekonomických studií

## Fakulta sociálních věd, Universita Karlova Praha

### Referee report on the Bachelor/Master Thesis submitted to State Exam

<b>Student Name:</b>	<b>Bc. Kamila Koprnická</b>
<b>Thesis Supervisor Name:</b>	<b>Roman Horváth, M.A.</b>
<b>Thesis Title:</b>	<b>Inflation Differentials in the European Union</b>

#### Overall Evaluation:

Kamila presents an analysis of driving factors of inflation differentials in the new EU member states. Basically, she replicates the influential study by Honohan and Lane (2003, *Economic Policy*, 357-394) that focused on the inflation differentials in the euro area countries investigating the role of effective exchange rate, fiscal policies, cyclical conditions and price convergence. In consequence, this allowed her a comparison of the previous results for the euro area with the latest results for the new EU members. Indeed, her results suggest that all the above mentioned factors belong to the important determinants of inflation differentials in the new EU members, too. Analysis of inflation differentials is important from the policy perspective, for example, for the evaluation of countries' readiness to adopt euro by the European authorities.

In my opinion, the thesis is well-written and delivers clear results. Kamila has shown ability to work independently on a large-scale empirical project and therefore, I strongly recommend the thesis for the defense and suggest grade A. I also suggest a distinction from the Dean of the Faculty of Social Sciences for an extraordinarily good masters diploma thesis.

#### SUMMARY OF POINTS AWARDED (for the explanation of categories and scale, please, see below):

CATEGORY	POINTS
Quality of Research	27
Clarity and Readability	8
Content/Quality of Ideas	39
Organization & Development	14
Manuscript Form	5
<b>TOTAL POINTS</b>	<b>93</b>
<b>LETTER GRADE</b>	<b>A</b>

Evaluated on: June 9, 2008