

# IMESS DISSERTATION

**Note: Please email the completed mark sheet to Year 2 coordinator (cc Chiara Amini [chiara.amini@ucl.ac.uk](mailto:chiara.amini@ucl.ac.uk) and fiona.rushworth@ucl.ac.uk)**

Please note that IMESS students are not required to use a particular set of methods (e.g. qualitative, quantitative, or comparative) in their dissertation.

<b>Student:</b>	RAO Zhihua
<b>Dissertation title:</b>	The Supply and Demand Shocks in Central and Eastern European Countries During the COVID-19 Pandemic — A Study in the Automotive Industry

	70+	69-65	60-61	59-55	54-50	<50
	A	B	C	D	E	F
<b>Knowledge</b> <i>Knowledge of problems involved, e.g. historical and social context, specialist literature on the topic. Evidence of capacity to gather information through a wide and appropriate range of reading, and to digest and process knowledge.</i>	93					
<b>Analysis &amp; Interpretation</b> <i>Demonstrates a clear grasp of concepts. Application of appropriate methodology and understanding; willingness to apply an independent approach or interpretation recognition of alternative interpretations; Use of precise terminology and avoidance of ambiguity; avoidance of excessive generalisations or gross oversimplifications.</i>		87				
<b>Structure &amp; Argument</b> <i>Demonstrates ability to structure work with clarity, relevance and coherence. Ability to argue a case; clear evidence of analysis and logical thought; recognition of an argument's limitation or alternative views; Ability to use other evidence to support arguments and structure appropriately.</i>		85				
<b>Presentation &amp; Documentation</b> <i>Accurate and consistently presented footnotes and bibliographic references; accuracy of grammar and spelling; correct and clear presentation of charts/graphs/tables or other data. Appropriate and correct referencing throughout. Correct and contextually correct handling of quotations.</i>			75			
<b>Methodology</b> <i>Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.</i>	92					

<b>ECTS Mark:</b>		<b>Charles Mark:</b>	B	<b>Marker:</b>	František Čech
<i>Deducted for late submission:</i>			No	<b>Signed:</b>	
<i>Deducted for inadequate referencing:</i>				<b>Date:</b>	6.9.2022

## MARKING GUIDELINES

**A (UCL mark 70+) = A (Charles mark 91-100 - excellent):** Note: marks of over 80 are given rarely and only for truly exceptional pieces of work.  
Distinctively sophisticated and focused analysis, critical use of sources and insightful interpretation. Comprehensive understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.

**B (UCL mark 69-65) = B (Charles mark 81-90 – very good)**  
**C (UCL mark 64-60) = C (Charles mark 71-80 – good):** A high level of analysis, critical use of sources and insightful interpretation. Good understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research. 65 or over equates to a B grade.

**D (UCL mark 59-55) = D (Charles mark 61-70 – satisfactory)**  
**E (UCL mark 54-50) = E (Charles mark 51-60 – sufficient):** Demonstration of a critical use of sources and ability to engage in systematic inquiry. An ability to engage in sustained research work, demonstrating methodological awareness. 55 or over equates to a D grade.

**F (UCL mark less than 50) = F (Charles mark 0-50 - insufficient):** Demonstrates failure to use sources and an inadequate ability to engage in systematic inquiry. Inadequate evidence of ability to engage in sustained research work and poor understanding of appropriate research techniques.

## Please provide substantive and detailed feedback!

### Comments, explaining strengths and weaknesses (*at least 300 words*):

The presented thesis analysis the effects of the COVID-19 pandemic on the automotive industry. Since the car manufacturing industry is the backbone of many economies, the topic is relevant not only from the academic but also from policymakers point of view. The author studies the supply and demand side of the industry across CEE countries and does not identify common patterns across these countries. The reason for such results are the varying protective measures in fighting COVID-19 implemented by national governments and the relatively short span of the COVID-19 data.

The submitted thesis contains a comprehensive review of the literature studying the COVID-19 implications on the whole economy and the automotive industry, as well as a general review of the literature studying supply and demand shocks. In my opinion, the literature review is well written. Unlike most of the thesis I have seen, the author connects cited papers and "let them communicate" instead of providing a simple description of each paper. Since the COVID-19 topic is relatively new, there is a limited number of papers published in respected journals; however, all the papers mentioned in the thesis are relevant to the topic. The author shows a good command of the literature, works with it well and tries to explain all the concepts used in the thesis in an easy-to-understand way. The only problem I have identified regarding the literature is that some of the references have the same name, e.g. Eurostat 2022, Anonymous 2020, etc., which complicates the orientation in the list of sources.

The methods and concepts used in a thesis are standard and well established in the literature (VAR, impulse response functions,...), described in sufficient detail and applied correctly. I appreciate that for model selection, the author favour less complicated models, e.g. VAR(1) or VAR(3), as suggested by BIC criterion and not highly overfitted VAR(8) indicated by AIC and HQIC.

I find the manuscript form of the thesis as the weakest part - the thesis would benefit from careful proofreading. There are quite a few single sentenced paragraphs; the figures should be reformatted (e.g. fig 10-14 are hard to read, fig 7 could be recreated by the author similar to fig 8); the author could greatly improve the form of presenting results in tables (e.g. Table 5 spans more than 2 pages and contains a lot of repeating information such as t stat ann p-value); not only the covariance matrix but also the correlation matrix should be included – the author claims that variables are strongly correlated, but it is not clear at first sight purely from the covariance matrix.

### Specific questions you would like addressing at the oral defence (*at least 2 questions*):

During the defence, the author should explain the relevance of the "fear of contagion" variable. Specifically, the author should explain how the variable was created and whether it is problematic for analysis that until 2020 the values of the variables were zero. Wouldn't it be better to use a simple dummy variable that would be zero in non-covid times and one during covid? How would these two approaches differ, and in what way are they going to be similar?

On p.21 the author claims that "*the lack of containers is another reason for low freight rates.*" The author should elaborate on this and explain why it might not be the case and why it should be vice versa.

The author should explain why not to include Slovakia in the sample as the Slovakia is one of the biggest car producers in the region and automotive industry accounts for great part of the country's GDP.