



Record of the dissertation thesis defence

Academic year: 2023/2024

Student's name and surname: Ante Šterc
Student's ID: 80907481

Type of the study programme: doctoral
Study programme: Economics and Econometrics
Study ID: 597455

Title of the thesis: Essays on Frictions in Financial Decisions
Thesis department: (23-CERGE)
Language of the thesis: English
Language of defence: Czech
Supervisor: PhDr. Mgr. Ctirad Slavík, Ph.D.

Reviewer(s): Filip Rozsypal, Ph.D.
Roman Šustek, Ph.D.

Date of defence: 30.07.2024 **Venue of defence:** Praha
Attempt: regular

Course of the examination: The Defense Committee Chair initiated the defense by issuing verbal statements confirming that (i) a satisfactory number of Defense Committee Members were present, and (ii) the student Ante Šterc fulfilled all requirements listed in the Study and Examination Code of Charles University. The student was introduced by the chair of his dissertation committee, Ctirad Slavík. After the introduction, Ante Šterc presented his dissertation "Essays on Frictions in Financial Decisions", including its empirical models, datasets and estimation methodologies, and the related findings. After the presentation the main referee comments were read, which was followed by an open discussion. During the discussion Ante Šterc satisfactorily answered the questions raised by both referees (he submitted all answers in written form to the Defense Committee) and by the audience:

Byeongju Jeong: Why the extremely poor compared to the extremely rich do not allocate their resources equally? How do you rationalize this in your paper? Are you saying that diversification is good for all households?
Ante Šterc answered.

Michal Franta: Are the bank characteristics missing from the final dataset, so there is no supply side in the statistical model? Can it affect the results? What are the fixed effects in the equation?
Ante Šterc answered.

Sergey Slobodyan: You have a formula about the probability of consideration, φ . How are these parameters estimated, do you look at different classes of households and their choices, and what kind of data is used?

When you compute likelihood do you treat these ϕ as random variables with their own estimated variance or are they just numbers? Are you using the same data twice: firstly, to estimate ϕ and then to estimate likelihood?

Ante Šterc answered.

Sergey Slobodyan: When you look at the formulas for the random utility model, the difference in probability is directly proportional to exponent of delta utility, and V is the utility level. In these types of models, you have an intensity of choice which scales up the sensitivity with respect to the difference between options, and here there are just utils that give the probability of selecting a particular option. If here you would include a single parameter beta, intensity of choice, and if the beta is large enough then consumers would select stock market funds with higher probability given the stock market funds give higher utility?

Ante Šterc answered.

Sergey Slobodyan: “Less progressive economies face higher effectiveness of fiscal policy”, this sounds like an extremely normative comment.

Ante Šterc commented.

Byeongju Jeong: Regarding the Chapter 1, are you saying that the change in utility function and choice set (change in preferences) of households will benefit them? Is the education coefficient in the table 4 of the Chapter 2 negative?

Ante Šterc answered.

Result of defence:	pass (P)	
Chair of the board:	Slobod'an Serhij, doc., Ph.D. (present)
Committee members:	Jeong Byeongju, Ph.D. (present)
	Franta Michal, RNDr., Ph.D. (present)