

## **Summary**

This Diploma Thesis deals with financial market in the Czech Republic and selected prospects of its future development. The author concentrates his analyses on following four areas:

1. Missing Central Securities Depository,
2. Act on Supervision on the Financial Market,
3. Introduction of Euro in the Czech Republic, and
4. Establishment of a Financial Ombudsman.

The structure of the thesis is divided into two parts. The first part provides a brief description of the financial market, instruments of the financial market and subjects of the financial market. The second part analyses future prospects of the financial market in the Czech Republic as detailed above. There are three appendices attached: no. 1: Chart detailing position of SCP (Prague Securities Centre) on the capital market, no. 2: Indicative timetable of Czech Republic joining the Euro and no.3: List of questions for public discussion regarding Act on Supervision on the Financial Market.

Central securities depository represents standard and inherent part of all developed international capital markets. Although this institution is incorporated in the Czech legal system for several years it was not established yet. Main task of the central depository is central evidence of securities in the Czech Republic and settlement system for security deals. It is envisaged that concentration of these two functions in one subject will reduce the operating costs of the system.

Supervision on the financial market was transferred to the Czech National Bank in 2006. It has been agreed that also relevant legal acts governing supervision on individual sectors of the financial market will be consolidated. New act on Supervision on the financial market will unify legal rules for all sectors of the financial market, which balances interests of the market, clients and supervisory body.

Joining the European Monetary Union is another challenge for the Czech Republic as a further step in the European integration. This process is with no doubt of high importance for the Czech financial market. One of the implications of Euro introduction in the Czech Republic is represented by amendment of the act on the Czech National Bank.

The last prospect the author is revealing advocates the area of customer rights protection on the financial market and anticipated establishment of financial ombudsman.