Report on Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University

Student:	Bc. Bryan Joseph Hlavin
Advisor:	prof. PhDr. Ladislav Krištoufek, Ph.D.
Title of the thesis:	Do Russian Aggressions Significantly Impact U.S. Oil & Gas Stocks?

***OVERALL ASSESSMENT** (provided in English, Czech, or Slovak):*

Please provide a short summary of the thesis, your assessment of each of the four key categories, and an overall evaluation and suggested questions for the discussion. The minimum length of the report is 300 words.

Short summary

The thesis examines whether major Russian military actions and geopolitical events related to Ukraine have significantly affected the stock performance of U.S. oil and gas companies between 2012 and 2024. The author combines an event-study framework based on abnormal returns and Cowan's sign test with GJR-GARCH volatility modeling. The empirical analysis is conducted on a portfolio consisting of 24 U.S. oil and gas companies and incorporates several control variables, including crude oil prices, U.S. government actions, OPEC announcements, the COVID-19 period, and the unprecedented negative oil futures episode of April 2020. The main finding is that Russian events regarding Ukraine had only a limited and generally statistically insignificant impact on U.S. oil and gas stocks, while broader market and commodity price dynamics appear to play a more important role.

Contribution

The thesis addresses a relevant and timely topic at the intersection of energy economics, financial markets, and geopolitical risk. The research question is clearly formulated and motivated by recent developments in global energy markets and geopolitical tensions. The author assembles a comprehensive dataset covering a twelve-year period and develops a coherent empirical framework to evaluate the effects of several categories of events on U.S. energy stocks.
A notable strength of the thesis is the systematic classification of Russian, OPEC, and U.S. government events, which allows for direct comparison of their relative importance. The thesis also contributes by providing evidence that major geopolitical events may have a more limited effect on U.S. energy equities than is commonly assumed.

At the same time, the contribution is primarily empirical rather than methodological. The analysis relies on established approaches and does not substantially extend the existing literature in terms of methodology or theory. Furthermore, the aggregation of 24 firms into a single portfolio necessarily obscures potential heterogeneity across companies and segments of the oil and gas industry. While this simplification is understandable, a more disaggregated analysis could have generated richer insights.

Methods

The methodological framework is generally sound and appropriate for the research question. The event-study methodology is correctly implemented and supplemented with Cowan's sign test, while the GJR-GARCH specification is suitable for examining volatility dynamics and asymmetric responses to shocks. The author demonstrates a good understanding of the assumptions and practical implementation of these methods.

The empirical analysis is transparent, and considerable effort was devoted to data collection and preparation. The inclusion of several control variables improves the credibility of the results and reduces the risk of attributing unrelated market developments to Russian military events.

Nevertheless, some methodological choices could have been discussed more critically. The use of an equally weighted average return series simplifies the analysis but sacrifices potentially valuable firm-level information. In addition, the empirical framework remains relatively traditional for a master's thesis in finance and data analytics. More advanced approaches, such as panel-data methods, dynamic correlation models, regime-switching specifications, or firm-level event studies, could have provided additional perspectives. The selection of event windows and event classifications also involves a degree of subjectivity that deserves further discussion.

Literature

The literature review covers the main strands of research related to geopolitical risk, oil markets, energy stocks, OPEC actions, and volatility modeling. The author demonstrates familiarity with both classic and recent contributions and successfully motivates the empirical analysis.

The review is generally well organized and readable. However, it occasionally becomes descriptive and focuses more on summarizing individual studies than on developing a deeper analytical framework connecting the literature to the hypotheses being tested. Greater emphasis on studies dealing specifically with geopolitical risk transmission to equity markets would have strengthened the theoretical foundation.

Manuscript form

The thesis is well structured and professionally presented. The text is clearly written, the argumentation is easy to follow, and the empirical procedures are documented in sufficient detail. Tables and figures are generally informative and appropriately integrated into the discussion. The appendices further improve transparency and reproducibility.

Minor stylistic and editorial issues remain, and some sections could be streamlined to improve readability. The interpretation of certain results could also be more concise. These are, however, relatively minor observations that do not materially affect the overall quality of the manuscript.

Overall evaluation and suggested questions for the discussion during the defense

This thesis addresses an important and policy-relevant topic using a solid empirical framework and a carefully assembled dataset. The author demonstrates good knowledge of financial econometrics, energy markets, and event-study methodology. The empirical analysis is competently executed and the conclusions are appropriately cautious and supported by the evidence presented.

The thesis would benefit from a more ambitious empirical design and a deeper discussion of firm-level heterogeneity, but these limitations do not diminish the overall quality of the work. The thesis meets the requirements for a master's thesis and demonstrates a good level of independent research.

I recommend the thesis for defense and suggest grade A. The results of the Turnitin analysis do not indicate significant text similarity with other available sources.

Suggested questions for the defense:

- How might the results change if the analysis were conducted separately for upstream, downstream, and integrated energy companies rather than using an aggregated portfolio?
- Russian events appear to have only a limited impact on U.S. oil and gas stocks. How do you reconcile this finding with the substantial effects observed in global energy markets after the 2022 invasion?
- To what extent could overlapping event windows and concurrent macroeconomic developments affect the interpretation of the event-study results?
- If you were to extend this thesis, which alternative empirical methodology would you consider most promising and why?

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SUMMARY OF POINTS AWARDED *(for details, see below):*

CATEGORY		**POINTS**
Contribution	*(max. 30 points)*	26
Methods	*(max. 30 points)*	26
Literature	*(max. 20 points)*	18
Manuscript Form	*(max. 20 points)*	20
TOTAL POINTS	*(max. 100 points)*	**90**
GRADE	**(A – B – C – D – E – F)**	**A**

NAME OF THE REFEREE: *Ladislav Krištoufek*
DATE OF EVALUATION: *11.6.2026*

Digitally signed (11. 6. 2026)
Ladislav Krištoufek

Referee Signature