

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

The presented diploma thesis focuses on the problematic of credit risk management and monitoring in financial institutions. In the theoretical part author provides an overview of credit risk monitoring tools that are used within Czech banking sector. In the practical part author develops an econometrical Early Warning Model that should allow banks to estimate probability of default as well as indicate which client might face credit problems in next 3 months period. Author uses confidential data provided by several Czech banks.

My objections to the content of the diploma thesis are the following:

1. In chapter 3 author often refers to studies from Polidar (1999) and Navratil (1994). I would suggest to use more recent papers if available. On the other hand, I appreciate chapter 3.7.2 where author tries to formulate his own point of view on the problematic.
2. I found several typos and/or grammer errors within the text.

Overally, the presented diploma thesis satisfies all the IES qualitative requirements to a higher extend. Moreover, the thesis provides new insights into possible construction of early warning models for credit risk monitoring that is calibrated for specific conditions of Czech banking sector. Author uses advanced econometrical methods.

The diploma thesis can be considered as above-average from contribution point of view. I suggest to use the thesis as a basis for scientific paper. I recommend the diploma thesis for the defense and I propose to grade it as „**excellent (1)**“. I also suggest to grant author a **recognition for extraordinary diploma thesis**.

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

CATEGORY	POINTS
Literature (max. 20 points)	18
Methods (max. 30 points)	30
Contribution (max. 30 points)	30
Manuscript Form (max. 20 points)	17
TOTAL POINTS (max. 100 points)	95
GRADE (1 – 2 – 3 – 4)	1+

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DATE OF EVALUATION: 27th Aug 2010

Referee Signature