

Report on Bachelor / Master Thesis

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

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| Student: | JANSA Jiří |
| Advisor: | PERTOLD-GEBICKA Barbara |
| Title of the thesis: | Fair Bets in Sports Betting |

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

Jiri's Master Thesis covers the topic of sport betting using the example of betting market for the Czech ice-hockey league. The goal of his research is to test for efficiency of betting markets. Before turning to empirical analysis, which is the main part of the thesis, the author provides an extensive review of the relevant literature dealing with individual gambling behavior as well as analyzing betting markets as the whole. Jiri derives his empirical approach from the reviewed literature. He picks the most relevant methods of testing fairness and efficiency in betting markets and applies them in the context of Check ice-hockey league. By performing different efficiency tests – from simple comparison of odds quoted by different betting agencies through detecting potential arbitrage possibilities to rigorous tests of market efficiency based on convergence – Jiri demonstrates analytical, statistical and programming skills. He constructs a comprehensive datasets of odds quoted in the majority of betting offices present in the Czech market and fluently works with this large set of data. He proves being able to use and interpret advanced statistical and econometric models. Jiri concludes that betting market for the Czech ice-hockey league shows minor inefficiencies. In particular, he demonstrates that it is possible to find arbitrage possibilities and thus earn money on betting.

The strongest part of Jiri's Thesis is the work with data and multiple statistical models, the weakest part of his Thesis is clearly pointing the relevance of his analysis in the broader economic context.

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

| CATEGORY | POINTS |
|---|---------------|
| <i>Literature</i> (max. 20 points) | 15 |
| <i>Methods</i> (max. 30 points) | 25 |
| <i>Contribution</i> (max. 30 points) | 17 |
| <i>Manuscript Form</i> (max. 20 points) | 18 |
| TOTAL POINTS (max. 100 points) | 75 |
| GRADE (1 – 2 – 3 – 4) | 2 |

NAME OF THE REFEREE: PERTOLD-GEBICKA Barbara

DATE OF EVALUATION: 20.1.2012