

Report on Master Thesis

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

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| Student: | Jana Doutnáčová |
| Advisor: | PhDr. Jakub Seidler, Ph.D. |
| Title of the thesis: | Macroeconomic determinants for non-performing loans dynamic – the case of the Czech Republic |

OVERALL ASSESSMENT

Jana Doutnáčová's work examines the effects of selected macroeconomic variables on banks loans' portfolio quality estimated as a ratio of non-performing loans. The research focuses on the Czech banking system of the last ten years and also gives a brief overview of the Czech banking sector's evolution after economic transformation in the '90s.

The literature overview shows the author's understanding of the relevant context and available research material; however more recent literature could have had a higher priority due to the critical lessons learnt during the financial crisis.

The selected methodology is correct, but more advanced methods could have been used instead of the basic VAR model. As a consequence, the contribution of the work is limited as well

I regard as a significant problem the high number of typos, grammar mistakes and even illogical sentences. Such amount of these errors shows the lack of care and time that should be dedicated to a master thesis.

Considering the above arguments I recommend grade 2 (good) for Jana Doutnáčová's master thesis.

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

| CATEGORY | POINTS |
|---------------------------------------|---------------|
| Literature (max. 20 points) | 16 |
| Methods (max. 30 points) | 19 |
| Contribution (max. 30 points) | 18 |
| Manuscript Form (max. 20 points) | 12 |
| TOTAL POINTS (max. 100 points) | 65 |
| GRADE (1 – 2 – 3 – 4) | 2 |

NAME OF THE REFEREE: Martin Dózsa

DATE OF EVALUATION: 19. 6. 2013

Referee Signature