

Report on Bachelor Thesis

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

Student:	Smejkal Jan
Advisor:	PhDr. Pavel Streblov MSc
Title of the thesis:	Collective Investment in CEE region: Risk and Return Comparison

OVERALL ASSESSMENT *(provided in English):*

This thesis is an attempt to provide an analysis of the investment activity in the CEE region – confined in this case to Czech Republic and Poland only. It is largely intended to be an empirical study based on regression analysis of the risk and return relationship and compare it between the two countries.

While the topic itself is interesting, the author provides a poor discussion of the issue.

Chapter 2 for instance provides a series of formal definitions, notions and classifications without any elaboration on the implications these notions bear for the current study.

Moreover, the author also presents quite a few classifications which are of no use anywhere else in the study and are thus redundant.

Chapter 3 presents the overall investment activity in CEE regions and its future prospects.

The chapter is based on “Potential to Invest” report of Generali PPF Asset Management from 2013 and as such is just a factual presentation of some figures without an in-depth, critical and inquisitive discussion of these figures. Additionally the author duplicates many of the tables with subsequent graphs. Chapters 4 and 5 present the particular situations in Czech Republic and Poland – with somewhat greater focus on Czech Republic. Apart from the evident skewedness toward discussing the situation in Czech Republic, the section contains spells, such as page 23 through 25, containing just graphs and tables without any subsequent description or analysis related to those. After these three chapter it is generally unclear what is the opinion of the author regarding the investment activity in the region, as it is primarily based on a third party report and data. What is the value added from this exercise?

The literature review suffers from the same main shortcoming as the rest of the text – there is no critical overview of the literature highlighting the main shortcomings and advantages of some papers over others, and how those relate to the thesis. Additionally, some of the references are added in the footnotes while they had to be in the main text for a complete representation of the subject.

Data description should present, apart from the series and variable definitions, some insightful summary statistics, correlation analysis, trend or evolution analysis as well as analysis of certain patterns and structural features of the data, if any. Any information regarding the composition of the investment funds should have been organized in tables and added to the appendix of the thesis.

The methodological and discussion part are rather weak as well. The author presents the regression results without too much discussion – leaving it to the reader to infer the main conclusions. It is largely unclear where the conclusions in the concluding section come from. The overall manuscript form lacks a proper organization which makes the reading exercise quite a challenge, both because of rather frequent grammar and spelling mistakes as well as an inopportune structure.

Overall, I would grade the thesis with the minimum passing grade, i.e. “C” (dobře) if the author is able to properly motivate the thesis, discuss the main features of the collective investments in CEE and the results he obtained from his regression analysis.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	10
<i>Methods</i> (max. 30 points)	13
<i>Contribution</i> (max. 30 points)	11
<i>Manuscript Form</i> (max. 20 points)	7
TOTAL POINTS (max. 100 points)	41
GRADE (1 – 2 – 3 – 4)	3

NAME OF THE REFEREE: *Adrian Babin*

DATE OF EVALUATION: *26-Aug-13*

Referee Signature