

Report on Rigorous Thesis

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

Student:	Mgr. Sylvie Dvořáková
Advisor:	PhDr. Jozef Baruník, Ph.D.
Title of the thesis:	Fractional Cointegration of Daily High and Low Stock Prices

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

The author of this thesis clearly formulates the sole goal: to illustrate the recently developed and formalized model of fractionally cointegrated VAR on selected five stock indices.

This thesis is well written, in nearly flawless English. The author shows good knowledge of the related literature and is able to summarize and comment on presented theory in unified notation. Notation is clear and mathematical arguments are well structured. An interested reader should not have difficulties following this text, though this does not mean that the described techniques are somewhat trivia. The used methodology for sure exceeds the average master level studies at IES.

This rigorous thesis is based on a master thesis of the author. The author addressed satisfactorily all my comments and suggestions. On top of that, the current version is on occasions extended and accompanied by interesting related topics which improves quality of the presented text – namely in section 3. I feel confident that presented results shall be publishable in a respectful refereed international journal.

I do recommend the rigorous thesis of Mgr. Sylvie Dvořáková to be successfully defended.

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

CATEGORY	POINTS
Literature (max. 20 points)	20
Methods (max. 30 points)	30
Contribution (max. 30 points)	29
Manuscript Form (max. 20 points)	17
TOTAL POINTS (max. 100 points)	96
(doporučuji, nedoporučuji)	Doporučuji

NAME OF THE REFEREE: Michal Červinka

DATE OF EVALUATION: 28.2.2014

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong Average Weak
20 10 0

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

Strong Average Weak
30 15 0

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

Strong Average Weak
30 15 0

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Strong Average Weak
20 10 0

Overall grading:

TOTAL POINTS			
81 – 100	= excellent		
61 – 80	= good		
41 – 60	= satisfactory		
0 – 40	= fail		= nedoporučuji k obhajobě