

# Report on Bachelor Thesis

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

<b>Student:</b>	<b>Petr Rýgr</b>
<b>Advisor:</b>	<b>PhDr. Ladislav Krištofuk, Ph.D.</b>
<b>Title of the thesis:</b>	<b>Applicability of online sentiment analysis of stock market prediction</b>

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

The bachelor's thesis provides a concise review of the topic. Some of important references are missing in text yet still, the author has been able to deliver a nice summary of the relevant work on the topic. As the topic is still rapidly evolving, there are various questions and issues in the literature. The thesis partially suffers from broadness of the covered material and in effect a lack of focus on a specific topic, which would be examined in detail. This way, there are several topics and each of them is touched only on surface.

The empirical part, which focuses on the application of Google Trends and a potential trading strategy based on it, reexamines the work of Tobias Preis, Suzy Moat and their colleagues. Unfortunately, the thesis has overtaken some of the flaws of their analysis. Most importantly the fact that the trading strategy is an ex post one and it is thus difficult to judge its usefulness in a real time trading.

The thesis in general suffers from the fact that it has been written under time pressure. From my point of view, enough time has been given to the narrative part of the text but only a little time to the empirical part and its further discussion. I believe that if the empirical analysis had been undertaken with enough time and focus, the contribution of the thesis would have been promising. In its current form, the contribution is weak.

**My final grade is a weak B**, i.e. 61 points. During the defense, the author should focus on discussing the shortcomings of the empirical analysis and suggestions of improving it.

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

<b>CATEGORY</b>	<b>POINTS</b>
<i>Literature</i> (max. 20 points)	15
<i>Methods</i> (max. 30 points)	20
<i>Contribution</i> (max. 30 points)	11
<i>Manuscript Form</i> (max. 20 points)	15
<b>TOTAL POINTS</b> (max. 100 points)	<b>61</b>
<b>GRADE</b> (1 – 2 – 3 – 4)	<b>2</b>

**NAME OF THE REFEREE: PhDr. Ladislav Krištofuk, Ph.D.**

**DATE OF EVALUATION: 5.6.2015**

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**Referee Signature**