

Report on Master Thesis

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

Student:	Simona Malovaná
Advisor:	doc. Mgr. Tomáš Holub, Ph.D.
Title of the thesis:	The Effectiveness of Unconventional Monetary Policy Tools at the Zero Lower Bound: A DSGE Approach

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

This master thesis uses a New-Keynesian DSGE model calibrated for the Czech economy to analyze the zero lower bound (ZLB) issues for monetary policy. Given the current situation in major advanced economies, as well as in the Czech Republic, this is a very topical subject.

The structure of the thesis is logical. The bibliography is broad and covers all the seminal papers. The applied model is a fairly standard one, but introducing the ZLB into it is an important innovation that allows to address relevant policy issues. Conclusions of the paper are in line with the previous research, but it is reassuring to see that they hold in a model estimated / calibrated for the Czech data.

Overall, the thesis exceeds the standard master level and could in fact serve as a good basis for a dissertation. Its shortened version would be publishable in a refereed journal.

The author worked on her thesis quite independently, which is remarkable given the advanced modelling approach used in it. At the same time, she has responded to my major suggestions, and I thus have no further comments. To sum up, **I can strongly recommend the thesis to be accepted and graded "excellent" (1, výborně). Depending on the report of the opponent, I also recommend to the defence committee to consider awarding the Dean of the Faculty distinction for an excellent Master thesis.**

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

CATEGORY	POINTS
Literature (max. 20 points)	20
Methods (max. 30 points)	29
Contribution (max. 30 points)	30
Manuscript Form (max. 20 points)	18
TOTAL POINTS (max. 100 points)	97
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: Tomáš Holub

DATE OF EVALUATION: 30 May 2014



Referee Signature