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

The presented thesis investigates whether a combination of technical analysis and time series analysis is capable of performing better than each method separately. Additionally, the thesis investigates whether the applicability and profitability of these three (technical, timeseries and combination) investment strategies is different for stocks representing different industries.

Chapter 1 contains the whole theoretical part of the thesis - an introduction into the topic investigated followed by a literature review and a description of methods used. I have the following comments here:

- The literature overview is rich, which I appreciate.
- Some ideas are not explained in deep enough detail for the reader to understand - these ideas should either be explained in larger detail or left out. As an example, on p. 6 the relative efficiency of the market is tested for using an L2 index, of Lempel and Ziv (1976). Without further explanation, the bare term "L2 index" confuses the reader.
- The language suffers from expressions uncommon in academic literature. For example, p. 13 "Men make judgments" should probably read "Traders," etc.

Chapter 2 continues to describe the dataset used. I have the following comments here:

- The dataset seems relatively large, which I appreciate.
- On p. 19 the reader might be curious how missing observations were treated - as the thesis contains multiple instruments, it is likely that on some days some instruments were traded while others were not.

Chapter 3 describes the methodology (double-or-out, technical trading, time-series trading) and some preliminary results. My comments are the following:

- I appreciate that the author delved into GARCH, which is not a topic taught within the Bachelor's course at IES.
- On p. 33/34 autoregressive parameters are insignificant in the AR-GARCH model, only parameters in the GARCH part are significant. This is common in stock returns modeling. As a result of this, a simple AR(1) specification is chosen for stock market returns prediction. If the author chose to disregard the information in the volatility-component of the process, the AR process should have been estimated at least with heteroskedasticity immune standard errors.
- I was unable to find the explanation of "L(0)" as the column header in e.g. Table 3.7

Chapter 4 describes the results. I have no comments here. Chapter 5 concludes.

Overall I appreciate the uncommon topic, dataset size and the use of advanced econometric methods in the thesis. In my view, the above mentioned technical drawbacks are balanced by these positives. However, there is one point that degrades this work extremely – the quality of manuscript. Firstly, the text contains a large number of typos that a single spell-check would have corrected. Secondly, the sentences are often hard to understand and/or too long. Thirdly, formatting standards of the IES template should have been used (justified paragraphs, nice tables). Correcting these errors and revising the text a couple of times would make this thesis an enjoyable read.

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

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<th>CATEGORY</th>
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<tr>
<td>Methods</td>
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<td>GRADE</td>
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**NAME OF THE REFEREE:** Mgr. Daniel Benčík

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[Signature]