

# Report on Bachelor Thesis

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

Student:	Martin Brousil
Advisor:	Doc. PhDr. Petr Teplý, Ph.D.
Title of the thesis:	Czech Commercial Banks' Net Interest Margin Analysis with Regards to the Changes of Recent Years

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

The performance of the global banking industry has been decreasing in last years. Not surprisingly both practitioners and academicians try to explain key reasons. As a result, Martin Brousil has chosen an interesting topic for his bachelor thesis, in which he analyzes net interest margin in the Czech banking sector using the pooled OLS, fixed effect estimators, and random effect estimators.

The thesis consists of five main chapters. After short introduction the second chapter focuses on theoretical background, while the third one analyzes the Czech banking sector. In the key fourth chapter of the thesis the author conducts own empirical research. The last fifth chapter concludes the work and states final remarks.

The thesis fulfills standard format requirements, is worked out nicely, and the estimated models have a high discriminatory power. Martin has applied standard econometrical methods on an up-to-date topic, what makes his work outstanding. I believe that a part of the thesis might be published in a journal with an impact factor. The author has been meeting his advisor on a regular basis, cooperated with him closely and reflected his comments to the final version of the thesis.

Suggested question for the defense are as follows:

- 1) When considering the research results - what is author's prediction of NIM of the Czech banking sector until 2025?
- 2) What is the author's opinion on an impact of the commoditization trend on NIM of the Czech banking sector?

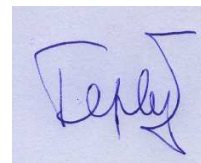
The thesis by Martin Brousil shows that he has developed a solid academic approach and built own model. The topic chosen is highly attractive subject which makes his contributions valuable. I consider this bachelor thesis as an excellent piece of academic work and support it to be accepted in this form. All in all, I propose "**výborně**"/**Grade 1** from this thesis.

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

CATEGORY	POINTS
Literature (max. 20 points)	18
Methods (max. 30 points)	28
Contribution (max. 30 points)	28
Manuscript Form (max. 20 points)	17
<b>TOTAL POINTS (max. 100 points)</b>	<b>91</b>
<b>GRADE (1 - 2 - 3 - 4)</b>	<b>1</b>

**NAME OF THE REFEREE: Petr Teplý**

**DATE OF EVALUATION: 1. 6. 2016**



\_\_\_\_\_  
**Examiner Signature**

# Report on Bachelor Thesis

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

<b>Student:</b>	<b>Martin Brousil</b>
<b>Advisor:</b>	<b>Doc. PhDr. Petr Teplý, Ph.D.</b>
<b>Title of the thesis:</b>	<b>Czech Commercial Banks' Net Interest Margin Analysis with Regards to the Changes of Recent Years</b>

## **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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
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.*

<i>Strong</i>	<i>Average</i>	<i>Weak</i>
20	10	0

## **Overall grading:**

TOTAL POINTS	GRADE		
81 - 100	<b>1</b>	= excellent	= výborně
61 - 80	<b>2</b>	= good	= velmi dobře
41 - 60	<b>3</b>	= satisfactory	= dobře
0 - 40	<b>4</b>	= fail	= nedoporučuji k obhajobě