Report on **Bachelor / Master Thesis**

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

Student:	**Ivana Muzikářová**
Advisor:	**Josef Baruník**
Title of the thesis:	**Measuring systemic risk in time-frequency domain**

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

The thesis used advanced econometric techniques to study systemic risk in the US banking sector. The issue of systemic risk in banking sector is important, the author mastered a lot difficult techniques, related literature, and the thesis is also well written. Here is a few comments/questions that might be worth discussing during the defense:

- It would be interesting if the author tried to use out-of-sample predictions, to evaluate relative merits of different statistical models.
- It is hard for me to judge the contribution of the thesis, in part because I am not an expert on the topic, but also because the author does make it clear what the closest studies are, relative to this, and how exactly they differ in terms of methods or analyzed data. The time dimension of risk? More elaborate techniques to identify predictors of systemic risk? It would be useful if the author explain in more intuitive terms what new we have learned.
- I would welcome a more detailled discussion about how results and conclusions depend on employed estimates, especially, if the results are different, whether one can use intuitive reasoning to explain why? The text reads like that sometimes results are similar and sometimes they are different. But how shall the policy-makers choose and discriminate between growing number of estimators?

In sum, this is a nice thesis and I recommend grade A.

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

CATEGORY		POINTS
Literature	*(max. 20 points)*	20
Methods	*(max. 30 points)*	30
Contribution	*(max. 30 points)*	25
Manuscript Form	*(max. 20 points)*	20
TOTAL POINTS	*(max. 100 points)*	**85**
GRADE	**(1 – 2 – 3 – 4)**	

NAME OF THE REFEREE: Michal Bauer

DATE OF EVALUATION: **September 14, 2015**

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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	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě