

Report on Master Thesis

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

Student:	Bc. Tomáš Kvasnička
Advisor:	PhDr. Ladislav Krištofuk, Ph.D.
Title of the thesis:	Wavelet portfolio optimization: Investment horizons, stability in time and rebalancing

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

The thesis utilizes the MODWT approach to estimating covariance matrices and further uses the results to construct portfolios as well as portfolios for different scales, and further discusses the relationship between these scales (investment horizons) and rebalancing of portfolios. The thesis is well structured and presents the results in a very legible way. The utilized methodology is above the standard IES curriculum. Even though the results are somewhat different from what author probably wished at the beginning, these still make sense and are discussed in the comparison between the fractal and heterogeneous market hypotheses.

I believe that this thesis easily deserves the grade A (1) and, from my perspective, the only weakness is its lack of a deeper economic perspective and a more narrative discussion. The results are novel enough for a publication in an impacted journal.

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

CATEGORY	POINTS
Literature (max. 20 points)	20
Methods (max. 30 points)	30
Contribution (max. 30 points)	28
Manuscript Form (max. 20 points)	20
TOTAL POINTS (max. 100 points)	98
GRADE (1 – 2 – 3 – 4)	1

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

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Referee Signature