

Report on Bachelor / Master Thesis

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

Student:	Jakub Říha
Advisor:	Ing. Michala Moravcová
Title of the thesis:	The Impact of Macroeconomic News on the Price of Financial Assets

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

This thesis examines the impact of Czech macroeconomic news announcements and Czech National Bank (CNB) communication on the Czech financial market represented by the EUR/CZK, USD/CZK currency rates and PX index applying GARCH (1,1) and EGARCH (1,1) model with different error distributions. The main contribution of the thesis is, that Jakub examines the data after financial crisis, the time period less examined in the existing literature

The author demonstrates very good understanding of GARCH-type model concept and its empirical application. GARCH model is not the subject of the study at the bachelor level. It is studied at the master level at this Institute (IES). Jakub made a big effort to understand this model and apply it on empirical data. The econometric model is described very precisely. However, the results are not consistent with current literature. The visible drawback I could see, is that coefficients in the variance equations are unusually high, which make problem with economic interpretation.

The thesis contains relevant literature survey. Manuscript is written very neat, it is written in Latex text editor. However, I could see some shortcomings in English grammar and text fluency.

I believe that the thesis meets the requirements put on students at the bachelor level. The author has incorporated most of my suggestions and comments on previous drafts of the thesis. I thus have no further proposals or questions on the final version.

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

CATEGORY	POINTS
Literature (max. 20 points)	15
Methods (max. 30 points)	20
Contribution (max. 30 points)	20
Manuscript Form (max. 20 points)	15
TOTAL POINTS (max. 100 points)	70
GRADE (1 – 2 – 3 – 4)	2

NAME OF THE REFEREE:

MICHALA MORAVCOVA

DATE OF EVALUATION:

1.6.2016


Referee Signature