Report on Bachelor / Master Thesis

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

Student:	Bc. Jiří Techman
Advisor:	Mgr. Michal Paulus
Title of the thesis:	The impact of the CNB's exchange rate commitment on Czech exports

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

Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.

Contribution

This thesis estimates the impact of the Czech unconventional monetary policy on exports, both on the aggregate level and for SITC product categories. This is the main novelty of the thesis since the previous studies on the impact of the exchange rate commitment focus on GDP, price level, unemployment, and several other aggregate measures. Although the CNB pretended that it did not want to use the exchange rate to improve the price competitiveness of the Czech exports, some economists, i.e., Jan Švejnar (https://www.youtube.com/watch?v=nePId-dxJDU), consider the CNB's policy as a straightforward competitive devaluation. Hence, the assessment of the impact is quite a welcome addition to the literature.
Overall, the thesis is well elaborated and presents a decent contribution to the existing knowledge.

Methods

The thesis relies on the synthetic control method, which is adequate and well suited for this application. To me, the methodology is carefully adopted and well implemented. The results that are presented in the thesis are well in line with the results of the empirical analysis.

Literature

The relevant literature is covered, and citations follow the conventions.

Manuscript form

The thesis is well-structured and well-elaborated. I wasn't distracted by typos or apparent mistakes. The logical structure of arguments was OK. Perhaps, I have some reservation to chapters presenting the results. To me, they are very much about the same things, again and again for a different product category. I understand there's a minimum of pages that is required, but like this, the thesis became boring in its second half. A more synthetic way of presentation of the results would have been welcomed.

Summary and suggested questions for the discussion during the defense

Overall, I was pleased by the thesis by J. Teichman. My recommendation would be only to think about the possible policy implications a little bit more. Two interesting questions remain unanswered: Why is the response different in various product categories? Does it have something to do with the export sophistication at the product category level? Nevertheless, answering those questions would have to go beyond the methodology used in the thesis, and it would require additional effort. If the author has some hypotheses that could explain these hypotheses, it could be nice to present them at the final defense. And, since I won't be a member of the committee, I'd be happy if he can share his ideas with me via email.
I have no reservations to propose grade A for this thesis.

Report on Bachelor / Master Thesis

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

Student:	**Bc. Jiří Techman**
Advisor:	**Mgr. Michal Paulus**
Title of the thesis:	**The impact of the CNB's exchange rate commitment on Czech exports**

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

CATEGORY	POINTS
Contribution *(max. 30 points)*	28
Methods *(max. 30 points)*	30
Literature *(max. 20 points)*	20
Manuscript Form *(max. 20 points)*	18
TOTAL POINTS *(max. 100 points)*	**96**
GRADE **(A – B – C – D – E – F)**	

NAME OF THE REFEREE:　　　　　　　　　*Jaromír Baxa*

DATE OF EVALUATION:　　　　　　　　　*January 13, 2019*

_____
Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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*

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*

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*

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	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F