

FAKULTA SOCIÁLNÍCH VĚD UNIVERZITY KARLOVY V PRAZE

V Praze, dne 16. června 2006

AUTOR BAKALÁŘSKÉ PRÁCE: Matěj Turek
NÁZEV BAKALÁŘSKÉ PRÁCE: Asset Securitization: Prospects of a Market
Development in the Czech Republic
VEDOUCÍ PRÁCE (KONZULTANT): Prof. Ing. Michal Mejstřík, CSc.
AKADEMICKÝ ROK: 2005/2006

Assessment of the Bachelor Thesis:

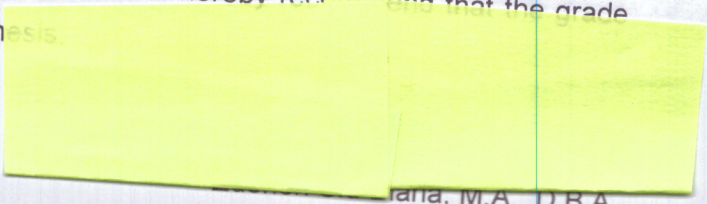
Professional qualities of the author appear high and the thesis was, on the whole, very well prepared. One would be hard pressed to pinpoint or unambiguously identify flaws or errors in the underlying reasoning or techniques employed in the paper. The author's main objective – to challenge (if not disprove) a widely held belief that asset securitization is not a viable financing alternative in developing economies such as the Czech Republic – is underpinned by sound theoretical justification and has unquestionable underlying qualities. One may even surmise that some ideas in the thesis could constitute a basis for government policy recommendations especially in the area of the so-called human capital securitization. On page 66 the author estimates that – should tuition fees be introduced in the Czech Republic – a pool of some EUR 100 mil. of securitizable assets could be expected to develop. This would be a welcome enhancement *inter alia* of hitherto limited scope of securitization in the Czech Republic where debenture bonds backed by domestic residential mortgages appear to be the only viable form of asset securitization to date.

The research paper can be seen as a solid step in the continuing process of identifying solutions to complex problems. In addition, major ideas contained in the said thesis do appear to have practical implications that, if understood and accepted by the financial industry, could benefit the structured finance market and the Czech capital market in general. The author does not shy away from "delicate" issues such as the lack of any explicit government sponsorship of the Czech securitization efforts. He posits - correctly in the opinion of this reviewer - that such sponsorship would require considerable political bravery based on detailed knowledge of the topics such as – apart from asset securitization proper – credit derivatives, asset-backed securities (or commercial paper) and other, often fairly complex, areas of finance.

Final Comments and Recommendation:

The fine quality, economic content, interesting ideas and other positive aspects of the thesis far outweigh some very minor weaknesses that might be identified on very close reading. The author believes – and this reviewer concurs – that both the descriptive and the empirical parts of the bachelor thesis helped to clarify the opportunities and challenges presented by the current situation in the Czech structured finance market.

In conclusion, the overall tenor and direction the author has espoused in his thesis supported by robust narrative skills in flawless English, sound underlying analysis and a plausible set of reasoning, deserve high consideration. I hereby recommend that the grade "A" (excellent) be granted for this bachelor thesis.



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