

Opponent's Report on Dissertation Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University
Opletalova 26, 110 00 Praha 1, Czech Republic
Phone: +420 222 112 330, Fax: +420 222 112 304

Author:	Adam Kučera
Advisor:	Prof. Ing. Evžen Kočenda M.A., Ph.D., DSc.
Title of the Thesis:	Topics in Yield Curve Modeling
Type of Defense:	DEFENSE
Date of Pre-Defense	November 18, 2020
Opponent:	Prof. Martin Berka Ph.D. M.A. ABFER

Address the following questions in your report, please:

- a) Can you recognize an original contribution of the author?
- b) Is the thesis based on relevant references?
- c) Is the thesis defensible at your home institution or another respected institution where you gave lectures?
- d) Do the results of the thesis allow their publication in a respected economic journal?
- e) Are there any additional major comments on what should be improved?
- f) What is your overall assessment of the thesis? (a) I recommend the thesis for defense without substantial changes, (b) the thesis can be defended after revision indicated in my comments, (c) not-defensible in this form.

(Note: The report should be at least 2 pages long.)

This is the second report I am asked to write, this time on a revised version of the Ph.D. Dissertation thesis by Adam Kučera. In a nutshell, the revised dissertation, and the written responses of the author to my questions, are to my satisfaction. I recommend that the Ph.D. is awarded.

My substantive points were merely aimed at improving the quality of the dissertation, as I had indicated that the original submission has already been of satisfactory standard. I think Adam has addressed my questions well.

A new discussion is now added to better position the last (unpublished) paper to the literature more broadly, by discussing the crowding-out hypothesis and more broadly the nexus between fiscal policy and interest rate changes. I believe this will help position the paper better by broadening and also clarifying its contribution to the literature.

My second substantive comment was to discuss the broader channels between fiscal policy and financial markets. Adam has improved the discussion here, strengthened the links with the literature, and uses an illustrative IS-LM model to discuss some transmission channels.

I also think that Adam's response to my comment on the prominent role played by the uncertainty index has been adequate. Adam has employed a more parsimonious model and appended a discussion with the literature on the effects of policy uncertainty.

I thank Adam for correctly explaining to me why the response of interest rate should be more muted under zero lower bound – indeed, this is correct, and I was thinking of the response of the quantity variables. It's useful to have this also explained more clearly in the chapter.

All in all, I am satisfied with the response to my comments, and again recommend an award of the degree.

Best regards

Martin Berka

Date:	9/3/2021
Opponent's Signature:	Digitally signed by Martin Berka
Opponent's Affiliation:	Prof. Martin Berka Ph.D. M.A. ABFER Massey University