

Report on Master Thesis

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

Student:	Bc. Tummenjargal Chuluunbaatar
Advisor:	Mgr. Magda Pečená, PhD.
Title of the thesis:	Bank profitability in Mongolia

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

The diploma theses of Tumenjargal Chuluunbaatar deals with Mongolian banking sector, its development, current situation and analysis of its profitability. Before getting into details on Mongolian banking reality, the author describes general approaches to banking valuation, analysis of its performance and profitability. After that, certain space is devoted to a short description of the Czech banking sector (especially during the transition period) and subsequently to the comparison with the development of the Mongolian banking sector after the breakdown of Soviet Union.

In the thesis I would highlight the comparison of the Czech experience with the Mongolian in the last twenty years. Also the parts focused on explanatin of Mongolian reality and microfinance banking is for an Central European very interesting.

Central topic of the thesis, analysis of profitability of Mongolian banks is based on discussion and analysis of partial profitability indicators (esp. ROA). The author also tries to analyse the profitability situation with the tools of a simple regression, but the results are not convincing. Here I would agree with the opinion, that mathematics and statistics shall not be applied unconditionally in all possible cases. We feel, that Mongolian banking sector is not mature enough and many other factors except for the rational ones are involved. So in this case „soft data“ analysis is much more appropriate than „hard data“ analysis.

The thesis is written in an English, that corresponds to the level of knowledge of a foreign student, that must manage at least two foreign („absolute“ foreign) languages, unfortunately some words are abundant, some are missing. Also there may be found some comments to the manuscript form.

Taking all this into account, I recommend the grade **2** („very good“).

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	20
<i>Methods</i> (max. 30 points)	15
<i>Contribution</i> (max. 30 points)	20
<i>Manuscript Form</i> (max. 20 points)	10
TOTAL POINTS (max. 100 points)	65
GRADE (1 – 2 – 3 – 4)	2

NAME OF THE REFEREE:

DATE OF EVALUATION:

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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

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

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

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 POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě