

Report on Bachelor / Master Thesis

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

Student:	Martina Badáňová
Advisor:	PhDr. Ladislav Krištofek
Title of the thesis:	Analysis of gasoline and diesel prices in the Czech Republic

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

The presented thesis deals with a relevant topic of oil price transmission mechanism into gasoline/diesel prices. The thesis is written in clear English and in general the manuscript exceeds the quality of bachelor theses.

Despite of referee's limited knowledge of oil industry economics, the thesis is easy to read and logically guides the reader through its chapters. I would like to emphasize the difficulty of methods the author chose to employ, since these are not standard for a bachelor level thesis. The error correction framework seems to be usual in this type of analysis, yet following the author's claim, it was never carried out using Czech data. Hence combining advanced methods with novel data set deserves high recognition in both areas: methods and contribution.

A price transmission asymmetry is the main topic and the author analyses this in a testable way; assigning positive and negative shocks separate coefficients and then simply testing, whether these are statistically different from each other. Minor drawbacks of the regression used (serial autocorrelation in residuals) is well commented on by the author and remaining properties of the estimates are given. No statistical difference is found in the transmission mechanism; hence the gasoline/diesel prices adjust with the same speed to both increases and decreases in oil prices.

In conclusion, not only the submitted thesis fulfils all criteria imposed on bachelor thesis, but it exceeds them, therefore **I have no hesitation suggesting a grade 1 – Excellent and I would kindly ask the Dean to consider his award.**

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

CATEGORY	POINTS
Literature (max. 20 points)	18
Methods (max. 30 points)	29
Contribution (max. 30 points)	26
Manuscript Form (max. 20 points)	19
TOTAL POINTS (max. 100 points)	92
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: PhDr. Boril Šopov, MSc., LL.M.

DATE OF EVALUATION: 3rd September 2012


Referee Signature