

Report on Bachelor / Master Thesis

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

Student:	Bc. Tomáš Ulrich
Advisor:	Doc. Roman Horváth, Ph.D.
Title of the thesis:	The Determinants of central banking transparency: An Empirical Analysis

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

The main topic of the thesis is central bank transparency and its determinants. The author distinguishes two types of transparency – transparency on monetary policy and transparency on financial stability. The thesis includes comprehensive literature review on both areas. Then a data set by Horvath & Vasko (2012) is used to perform regression analysis to identify main drivers of both types of transparency. The problem of possible endogeneity is correctly addressed by the Hausmann test.

GDP per capita and exchange rate regime are identified as the most significant factors affecting transparency but other hypotheses such as that higher efficiency of monetary policy leads to higher transparency were not confirmed. Determinants of individual factors of the transparency index are also investigated.

The overall quality of the thesis is good and also the use of econometric methods is proper. It fulfills all criteria imposed on a master thesis and I therefore propose grade 1.

Suggested question for thesis defense:

How do you deal in your analysis with the fact that the institutional setting of the central bank can vary between countries? Its responsibilities can be broader or narrower and as a result the behavior of the central bank and the transparency scores can be affected.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	19
<i>Methods</i> (max. 30 points)	25
<i>Contribution</i> (max. 30 points)	24
<i>Manuscript Form</i> (max. 20 points)	18
TOTAL POINTS (max. 100 points)	86
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: PhDr. Jakub Jeřábek

DATE OF EVALUATION: 24.6.2013


Referee Signature