

Report on Bachelor / Master Thesis

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

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| Student: | Bc. Tomáš Havlíček |
| Advisor: | doc. Roman Horváth, Ph.D. |
| Title of the thesis: | Credit rating agencies and their impact on the bond markets of EU countries |

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

Tomáš's thesis is certainly an excellent master thesis. The author chooses an interesting topic that attempts to analyse the influence of credit rating announcements issued by three well known rating agencies on bond yields and CDS spreads. The analysis is performed on sovereign bonds of 24 European countries and their CDSs. The author's contribution to the topic is mainly in an extended scope and no limitation on analysed countries –many papers on the same topic often consider only a small subset of European countries such as PIIGS.

The author thoroughly analyses the current literature on the topic and clearly states where the thesis fits in. The applied methodology is clearly described and more importantly applicable for the type of analysis that the author performs. It seems that the author carefully assembled and prepared the dataset. The description of results is logical and extensive. Overall there are no objections to neither the methodology nor empirical analysis from the opponent's side.

The overall manuscript form is very good. The author writes in clear English and uses a consistent style throughout the text. Well presented are also tables and equations, which is not always the case with other theses.

Finally, the author summarizes the results of the analysis in a clear and consistent form. The most important implications of the analysis are briefly pointed out, which is completely fine, since a more thorough explanation is available in the thesis. To conclude the assessment of the thesis, it should be stressed out that the thesis is an extraordinary one and it should definitely be awarded, if suggested for an award.

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

| CATEGORY | POINTS |
|---|---------------|
| <i>Literature</i> (max. 20 points) | 19 |
| <i>Methods</i> (max. 30 points) | 19 |
| <i>Contribution</i> (max. 30 points) | 27 |
| <i>Manuscript Form</i> (max. 20 points) | 18 |
| TOTAL POINTS (max. 100 points) | 93 |
| GRADE (1 – 2 – 3 – 4) | 1 |

NAME OF THE REFEREE: PhDr. Ivo Jánký

DATE OF EVALUATION: 22.1.2013



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 |