
Abstract

This diploma thesis is devoted to the linkages among stock, bond and foreign exchange markets in the Czech Republic, Austria, Germany and Poland during the period from the beginning of the year 2007 to the end of the year 2014. In order to complexly describe the interconnections among the markets, we utilized two kinds of spillover indices (from the generalized and structural VAR model), dynamic correlation coefficients obtained from the multivariate GARCH model and contemporaneous coefficients from the structural VAR model that was identified through heteroskedasticity in structural shocks. These methods enabled us to describe the linkages among the markets from different angles, to capture their time evolution and to obtain a notion about the transmission mechanism among these markets in Central Europe. The results, *inter alia*, indicate an intensifying interconnection among the markets during crisis periods, lowering impact of stock markets, increasing influence of bonds and a dominant role of German bonds and Austrian stocks. At the same time, we were able to capture the influence of the European sovereign debt crisis on the spillovers and on the intensity of linkages among the markets. We showed that the intensity of linkages among bond markets relented, probably as a result of higher emphasis on the country-specific development. The obtained results and their extensions can potentially underlie more detailed research.