# Report on Bachelor Thesis

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

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| **Student:** | **Vojtěch Čermák** |
| **Advisor:** | **PhDr. Ladislav Krištoufek, Ph.D.** |
| **Title of the thesis:** | **Efficiency, predictability and liquidity in the commodity futures** |

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

The bachelor's thesis studies predictability of various commodity futures markets in the framework of capital market efficiency as well as its possible connection to liquidity. In summary, the thesis is a large empirical study and it has required quite demanding coding in R as well as demanding data collection. The author examines a group of ARIMA models and their forecasting performance and then discusses the effect of models' specifics on this performance. The results remain well in hand with the efficient market hypothesis as most of the models are not able to beat the random walk process. The original intention of connecting potential inefficiency with illiquidity has come in vain, which is, however, not a deficiency of the text.

I believe the thesis can be classified as a standard A thesis as it selects a topic above the IES bachelor's curriculum and performs the analysis well. The structure of the text is solid and the thesis reads well. Even though there are occasional typos and small errors, this does not spoil the text too much. I thus suggest **final grade A**.

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

| **CATEGORY** | | **POINTS** |
|---|---|---|
| *Literature* | *(max. 20 points)* | 18 |
| *Methods* | *(max. 30 points)* | 28 |
| *Contribution* | *(max. 30 points)* | 28 |
| *Manuscript Form* | *(max. 20 points)* | 19 |
| **TOTAL POINTS** | *(max. 100 points)* | **93** |
| **GRADE** | **(1 – 2 – 3 – 4)** | **1** |

***NAME OF THE REFEREE: PhDr. Ladislav Krištoufek, Ph.D.***

***DATE OF EVALUATION: 8.6.2015***

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***Referee Signature***