

Report on Bachelor Thesis

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

Student:	Alice Nušlová
Advisor:	PhDr. Ladislav Krištoftek, Ph.D.
Title of the thesis:	Pairs trading at the Prague stock exchange

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

The submitted thesis "Pairs trading at PSE" is predominantly an empirical work applying trading strategies based on "pairs trading" to the component stocks of the Prague PX index. Main focus is put on two specific strategies or better selection criteria for traded pairs which are connected to buy-hold-sell orders. Even though Alice had got in a way stuck due to illiquidity of the Prague exchange as well as its limited stocks availability, she was eventually able to report a nice piece of empirical work. The thesis has a good structure and it reads well. Applied methods are above the standard curriculum of the IES bachelor's program. Alice has shown an excellent skill in handling data as well as writing her own scripts. All my comments and issues raised during the process of writing have been taken into consideration.

For the above-mentioned reasons, **I suggest the thesis for defense with grade "Excellent" (Grade A)**. I also suggest the thesis to be rewarded the **Dean's award for an extraordinary thesis**.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	20
<i>Methods</i> (max. 30 points)	29
<i>Contribution</i> (max. 30 points)	29
<i>Manuscript Form</i> (max. 20 points)	20
TOTAL POINTS (max. 100 points)	98
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: PhDr. Ladislav Krištoftek, Ph.D.

DATE OF EVALUATION: 3.9.2014

Referee Signature