Report on Bachelor / Master Thesis

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

Student:	Dusan Tanaskovic
Advisor:	PhDr. Jakub Seidler, PhD
Title of the thesis:	Global systemically important banks: Assessment methodology and the additional loss absorbency

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

This thesis deals with the relevant topic of global systematically important banks (SIBs). Abovementioned topic has brought a lot of attention during and after the global financial crisis, as problems of global banks spread rapidly across countries, significantly increased uncertainty in the global financial markets and spilled over to the public sector later due to public subsidies. As such, new regulatory rules were proposed by the Basel Committee on Banking Supervision, including additional capital buffer for important global banks based on their systemic score. The thesis revises BCBS approach and illustrates its sensitivity with respect to the particular indicators using the data of one selected systematically important global bank.

The author reviews the BCBS methodology in detail, demonstrates how the final score is derived from the individual indicators and show the sensitivity analysis of the BCBS methodology. The author improved thesis significantly since the previous version, when it was just a descriptive work without clear value added. Although I can still imagine better wording and reasoning of the results, this was not done due to the time-constraint. Nevertheless, most of the comments given by the supervisor were incorporated into the text during the process of writing.

Possible defense questions: 1) What about possible correlation of indicators used for SIB computation, is there some double counting in the BCBS methodology? 2) What are the main disadvantages of the BCBS methodology?

I recommend the thesis for the defense and suggest **grade B**.

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

CATEGORY		POINTS
Literature	*(max. 20 points)*	20
Methods	*(max. 30 points)*	20
Contribution	*(max. 30 points)*	15
Manuscript Form	*(max. 20 points)*	13
TOTAL POINTS	*(max. 100 points)*	**68**
GRADE	**(1 – 2 – 3 – 4)**	**2**

NAME OF THE REFEREE: Jakub Seidler

DATE OF EVALUATION: **7 June 2015**

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Referee Signature

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