Report on **Master Thesis**

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

Student:	**Bc. Vojtěch Pižl**
Advisor:	**Doc. PhDr. Ladislav Krištoufek, Ph.D.**
Title of the thesis:	**Algorithmic fundamental trading**

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

As the title suggests, the thesis is a purely empirical work and it focuses on specific aspects and strategies in algorithmic fundamental trading. Specifically, the author has collected a sizable dataset containing important stock fundamentals – size, book-to-market ratio, price-earnings ratio, dividend-price ratio, current ratio and few others. The text then presents natural steps in utilizing such dataset – starting with panel regressions towards portfolio construction and rebalancing, and ending with resulting trading strategies taking transaction costs into consideration.

The text has a logical structure with a detailed literature review, which, in a way, provides a methodological section for fundamentals trading as well, followed by a brief but sufficient econometric methodology. A detailed treatment is given to the section describing the dataset as it forms an essential part of the whole work. It also conceals quite substantial part of work the author has had to spend to obtain the dataset as the series are not easily accessible. The results section then brings the core of the text with a needed discussion as well as some points about the limitations of the presented approach.

I have found no issues in the text and **I gladly suggest this thesis to be defended with the grade A**.

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

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

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

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Referee Signature