

Report on Bachelor / Master Thesis

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

Student:	Valeria Efimenko
Advisor:	Doc. Ing. Tomáš Cahlík, CSc.
Title of the thesis:	Demand and investment for jewelry at the time of economic crisis

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

The thesis is quite a voluminous work which discusses impact of recent economic downturn (2014) in Russia on the jewelry market. There are three chapters in the thesis. The first chapter provides some theoretical introduction to the topic. In the second chapter analyses are performed using data about sales from jewelry shops in Russia and data from questionnaire collected by the author. The last chapter provides conclusion and also some further analyses and calculations.

The thesis provides insight into an area which is probably not that well documented. There is quite a large amount of descriptive information about the Russian and the world jewelry market. Other contribution of the author is the data collected as a part of the survey which was done in Russian city of Sergiev Posad.

I have following concerns regarding the thesis:

- One of the main goals of the bachelor thesis is to prove that the author is capable of systematic work with academic literature. I would expect a larger (academic) literature overview, providing some information about existing academic literature on the topic. Are there any journal articles that have studied the jewelry market before and for example tried to model it? Is there any literature that used the same methodology to model elasticities the same way as the author does?
- There are some econometrics in Appendix 3. Why it is in the Appendix and not in the body of the thesis (at least partially)? I miss clearly stated what equation is estimated, what method is used and what are the results in some comprehensive form. Instead some of the calculation steps are really not necessary (like solving the system of two equations step-by-step). Also usage of OLS with 6 data points is not a good way.
- The author provides judgements of some individuals without any reference, e.g.: "Experts recommend to invest into real estate, diamonds..." (p.10), "Statistics show that it is beneficially to open jewelry stores during economically difficult times." (p.15), "According to research, about 15% of Russians find profitable..." (p.16), "However, some analysts believe..." (p.18) and much more.
- The author makes quite strong conclusions without providing any supporting arguments, e.g.: "In such a situation it is advisable to stimulate demand, otherwise the crisis situation in the country or in certain sectors may be exacerbated.", (p.15), or "Nobody trusts stocks and bonds, nobody believes in a foreign currency and don't want to keep their money in it." and much more.
- Manuscript form is quite terrible. Citation style is not consistent, there is a huge amount of typos, every table and figure looks differently, even small tables are cut into two pages, division of the text into paragraphs is strange...
- Some information are being repeated over and over, some sentences do not make much sense, e.g.: "*Mechanism of functioning of the investment market provides detection of the level and the structure of demand for certain capital goods*" (p.13) or "*Investment demand develops under the influence of diverse and divergent factors determining its flexibility and dynamism.*" (p.13) and much more.
- The author often talks about the *consumer demand* e.g. in situations when describing dynamics of quantity sold. Shouldn't it rather be some "equilibrium quantity"? Are there other factors affecting quantity sold beside the level of consumer demand?
- Luxury goods refers to certain levels of income elasticity, it has nothing to do with the price elasticity.

In the case of successful defense, I recommend "**dobře**" (satisfactory, 3).

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

CATEGORY	POINTS
Literature (max. 20 points)	7
Methods (max. 30 points)	18
Contribution (max. 30 points)	18
Manuscript Form (max. 20 points)	10
TOTAL POINTS (max. 100 points)	53
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE:

Josef Brechler

DATE OF EVALUATION: 2/9/2015



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