

Report on Bachelor Thesis

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

Student:	Vladimír Kunc
Advisor:	PhDr. Ladislav Krištofuk, Ph.D.
Title of the thesis:	Electricity market: Analysis and prediction of volatility

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

The thesis presents a large study of volatility forecasting in the Czech electricity markets. Such topic selection brings together two quite complicated topics, which are well above a standard bachelor's curriculum at IES – volatility estimation and modeling, and electricity markets. In the former, Vladimir needed to cover the realized volatility literature as well as various GARCH models. This goes further in utilizing neural networks as well. For the latter, Vladimir worked with a unique dataset needing a special treatment.

Results of quite a huge workload are presented in the thesis. I believe that after some polishing, these results can be published in a refereed journal regardless the local nature of the data. The biggest problem of the text is its structure and quite regular typos and mistakes. Even though the structure has been discussed with Vladimir several times, it is still not perfect. Nonetheless, for a bachelor's thesis, the text still easily passes for **grade A**.

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

CATEGORY	POINTS
Literature (max. 20 points)	19
Methods (max. 30 points)	30
Contribution (max. 30 points)	30
Manuscript Form (max. 20 points)	12
TOTAL POINTS (max. 100 points)	91
GRADE (1 – 2 – 3 – 4)	1

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

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