

Report on Bachelor Thesis

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

Student:	Radan Papoušek
Advisor:	Doc. PhDr. Adam Geršl, Ph.D.
Title of the thesis:	Impact of sovereign debt crisis in Greece on its neighboring countries

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

The thesis focuses on detecting contagion in the financial markets from the Greek crisis on Bulgaria, Cyprus, Italy and Turkey. The author is using a VAR framework with adjusted cross-correlations to detect patterns of contagion in the stock and bond markets. Interestingly, contagion was found only in a few cases, such as to Bulgarian bond market and to Cypriot stock market.

The thesis fulfills all necessary conditions for a good bachelor thesis and can be recommended for a defense. The author analyzed a topical and interesting issue and used up-to-date techniques, which are very well explained. The thesis includes a good overview of literature on methods to track and measure contagion. The author started with a set of hypotheses, which he tried to corroborate or reject. The results are presented in a clear and concise way and the thesis also includes a number of robustness checks.

I fully recommend this thesis for a defence and suggest the Grade 1 (excellent).

During the defense, the author could shortly elaborate on the findings, especially on the two detected contagion patterns for Bulgaria and Cyprus. Through which channels did contagion occur? Are there any real and/or financial linkages between those countries, and how could these linkages influence the market participants' perceptions of Bulgaria and Cyprus once problems in Greece intensified?

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	18
<i>Methods</i> (max. 30 points)	25
<i>Contribution</i> (max. 30 points)	25
<i>Manuscript Form</i> (max. 20 points)	18
TOTAL POINTS (max. 100 points)	86
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: Doc. PhDr. Adam Geršl, Ph.D.

DATE OF EVALUATION: 27.8.2015



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