

Assessment of Master Thesis – Opponent



Study programme: **International Economic Relations**

Field of study: **International Business - Central European Business Realities**

Academic year: **2016/2017**

Master Thesis Topic: **Financial Risk Management – Comparison of Value at Risk Methods on Stock Portfolios**

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Opponent: **doc. Ing. Josef Taušer, Ph.D.**

	Criterion	Mark (1–4)
1.	Overall objective achievement	1
2.	Logical structure	1
3.	Using of literature, citations	2
4.	Adequacy of methods used	1
5.	Depth of analysis	1
6.	Self-reliance of author	1
7.	Formal requirements: text, graphs, tables	2
8.	Language and stylistics	2

Comments and Questions:

I consider the thesis to be of a very good quality. Theoretical part is based on precise definitions of relevant terms and relations whereas practical part contains an authentic and relevant research. Although the empirical findings are not bringing much new, the comparisons of different approaches to Value at Risk metrics are well developed and clearly show that author has both needful theoretical knowledge and skills and abilities to use it in practise at a high level (including advanced analyses of quantitative data, using optimization procedures with constraints, running supportive simulations and so on). This can be seen as the main strengths and also value added of the thesis.

As for the weaknesses or minor mistakes:

1. Theoretical part could have gone more in detail in respective risks (analysed in a practical part) instead of investigating all possible risks extensively. 2. Formulas could have been numbered and should always have been followed with the description of variables used. 3. All graphs and tables should have been numbered, named and sourced.

Questions for the defense:

1. How to measure Value at Risk of portfolio consisting of one asset and one liability, e. g. receivables in EUR and payables in USD from the perspective of a Czech company?
2. What are so called "fat tails" in VaR methodology and how to address this issue in practice?

Conclusion: The Master Thesis is recommended for the defence.

Suggested Grade: **1**

Date: 23/05/2017

doc. Ing. Josef Taušer, Ph.D.

Opponent