



# University of Economics, Prague

Faculty of Finance and Accounting

Study programme "Finance and Accounting"

## Master Thesis Evaluation

### Supervisor form

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**Student name:** *Bc. David Ivanov*

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**Title of the thesis:** *Dynamics of Exchange Rates in Selected Emerging Markets in Risk-on/Risk-off Periods*

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**Year of the defence:** *2017*

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**Supervisor name and affiliation:** *doc. Ing. Karel Brůna, Ph.D., Department of Monetary Theory and Policy*

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**Reviewer name and affiliation:** *Ing. Ondřej Šíma, Department of Monetary Theory and Policy*

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#### **THESIS CONTENT SUMMARY:**

The Thesis consist of six parts – the first one is devoted to a theory of exchange rate determination with a focus on long-term determinants of exchange rate behaviour. The second part analyses flows of foreign investments focusing on risk-on/off periods, safe haven currencies and main driving forces of capital swings. The empirical part contains an analysis of a relationship between exchange rate and capital flows in three countries (Mexico, Turkey, South Korea) in three following chapters and final comparison of results of a research using data for a period of 1997-2016.

#### **OBJECTIONS AND REMARKS:**

I highly appreciate a cooperation with the author of the Thesis and his deep interest in the topic of exchange rate determination and capital flows. His focus on emerging countries with current account deficit included the reverse case of South Korea created very interesting mix of countries with various experiences with an impact of capital flows on exchange rate. I also appreciate sources used in the Thesis and their complexity which helped the author to create very interesting analysis of this case.

**QUESTIONS FOR THE DEFENCE:**

Based on your research what are the main determinants of a reverse in capital flows in case of analysed emerging countries?

What are the main types of capital flows that provided financing in case of Mexico and Turkey? Could the analyses confirm a hypothesis that short-term capital is also the most volatile?

**ASSESSMENT:**

Criterion	Excellent	Very good	Good	Insufficient
Aim formulation and fulfilment	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Work with literature	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Methods and data used	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results and their discussion	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Formal aspects	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Suggested overall grading:</b> <i>1 - Excellent</i>				

Prague, June 12, 2017

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**Signature**