

## Master's Thesis Assessment Reviewer's Report

Student's name: *Andrea Hájková*

MT Reviewer: *Dr. Mojmír Hampl*

Acad. year: *2020*

MT topic: *Analysis of the Determinants of Commercial Bank Profitability in the Eurozone 2009-2016*

In criterion 1, assess the thesis topic difficulty.

Assess criteria 2 - 6 as follows:

5 points – excellent – outstanding performance

4 points – very good – high-quality performance

3 points – good – fulfilled without reserve

2 points – satisfactory – with significant but not crucial insufficiencies

1 point – sufficient – meeting basic requirements only

0 points – unsatisfactory

ASSESSMENT CRITERIA	Points
<b>1. Thesis Topic Difficulty:</b>	<b>4</b>
a) the analysed issue is complex	yes
b) data acquisition is demanding	yes
c) data processing is demanding	yes
<b>2. Meeting the Thesis Objectives:</b>	<b>3</b>
a) the thesis objectives are clearly defined	yes
b) the methods of thesis processing are clearly defined	partly
c) the presented thesis objectives correspond to the thesis topic	partly
d) the applied methods and procedures are suitable to meet the thesis objectives	yes
<b>3. Theoretical Background:</b>	<b>5</b>
a) the theoretical background includes a critical literature review	yes
b) the theoretical background is based on appropriately selected domestic and foreign literature sources (considering the relevance, topicality and type of publications)	yes
c) literature sources are quoted properly	yes
<b>4. Practical Application – Analysis:</b>	<b>4</b>
a) the practical application contains theoretical knowledge	yes
b) the chosen methods were applied accurately	yes
c) the application of methods is described sufficiently	partly
d) the thesis contains an overall assessment of the status quo	yes
e) conclusions of analyses are well-founded	yes

<b>5. Practical Application – Project:</b>	<b>4</b>
a) the project part of the thesis extends the theoretical knowledge	yes
b) the project part of the thesis is a follow-up to the analysis results	yes
c) the thesis provides conclusions and possible applications of recommendations	yes
d) suggestions are supported by fully adequate arguments	partly
e) the thesis includes the impacts of the recommendations	yes
f) the thesis meets the set objectives	yes
<b>6. Formal Layout:</b>	<b>4</b>
a) the text is logically sequenced	yes
b) the thesis provides appropriate terminology	yes
c) literature sources are quoted in compliance with a required standard	yes
d) the language level meets the requirements of Master’s thesis	partly
e) the graphic layout meets the requirements of Master’s thesis	yes
<b>TOTAL POINTS</b>	<b>24</b>

Overall thesis assessment and questions for the defence:  
(Both the Master’s thesis supervisor and reviewer present their questions.)

*The student has opted for a highly timely and relevant topic which definitely could be of interest for the professional community. Moreover, it can serve as a basis for further investigations and analytical work also in the future. The student proved the ability to work with a large datasets and applied statistical methods in such a way that it can be seen as a competent user of more advanced statistical techniques. However, some theoretical observations or statements might sometimes look a bit confusing or not in line with the current state of our knowledge. For instance:*

*p. 14 (“when banks remain profitable, there is easy access to credit”). One might reasonably argue that it also works the other way around. When there is an easy access of credit and the credit is plentiful (no credit crunch occurs), the banks remain profitable.*

*pp. 20 -21 (“banks are also important liquidity provider, due to the deposits taken”) However, in our elastic monetary system banks are also liquidity generators. They do produce new money and deposits by providing credit to the real economy.*

*But these are rather minor issues.*

*The only substantial remaining question is whether the time span used for this paper (namely the years 2009-2016) is both sufficient and valid as a basis for strong inference given the specificity of this period. The student might discuss this when defending the thesis verbally.*

*Specific questions:*

*a) If the bank size is a statistically significant factor explaining the bank profitability in general, would you support calls for a much stronger consolidation of the European banking sector (namely more mergers of smaller banks)?*

*b) Is it in line with your intuition that among the most significant determinants with negative influence on bank profitability in the Eurozone is inflation? Explain, please.*

The thesis meets the criteria for the defence of the MT<sup>1</sup>.

<sup>1</sup> The thesis does not meet the criteria for the defence of the MT if at least one criterion is assessed by 0 points.

In Zlín on: *21 June, 2020*

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Signature of Master's thesis reviewer

