IMESS DISSERTATION

Note: Please email the completed mark sheet to Year 2 coordinator (jiri.vykoukal@post.cz)

Student:	Yixuan Zhang
Dissertation title:	Determinants of Commercial Banks' Financial Performance in Central and East European Countries

	70+	69-65	60-61	59-55	54-50	<50
	A	B	C	D	E	F
Knowledge *Knowledge of problems involved, e.g. historical and social context, specialist literature on the topic. Evidence of capacity to gather information through a wide and appropriate range of reading, and to digest and process knowledge.*		67				
Analysis & Interpretation *Demonstrates a clear grasp of concepts. Application of appropriate methodology and understanding; willingness to apply an independent approach or interpretation recognition of alternative interpretations; Use of precise terminology and avoidance of ambiguity; avoidance of excessive generalisations or gross oversimplifications.*		68				
Structure & Argument *Demonstrates ability to structure work with clarity, relevance and coherence. Ability to argue a case; clear evidence of analysis and logical thought; recognition of an argument´s limitation or alternative views; Ability to use other evidence to support arguments and structure appropriately.*		65				
Presentation & Documentation *Accurate and consistently presented footnotes and bibliographic references; accuracy of grammar and spelling; correct and clear presentation of charts/graphs/tables or other data. Appropriate and correct referencing throughout. Correct and contextually correct handling of quotations.*		65				
Methodology *Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.*		67				

ECTS Mark:	B/66	**Charles Mark:**	B/81	**Marker:**	Tomáš Holub
Deducted for late submission:	*No*			**Signed:**	
Deducted for inadequate referencing:	*No*			**Date:**	1 Sept 2024

MARKING GUIDELINES

A (UCL mark 70+) = A (Charles mark 91-100 - excellent): *Note: marks of over 80 are given rarely and only for truly exceptional pieces of work.*
Distinctively sophisticated and focused analysis, critical use of sources and insightful interpretation. Comprehensive understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.

B (UCL mark 69-65) = B (Charles mark 81-90– very good)
C (UCL mark 64-60) = C (Charles mark 71-80 – good): A high level of analysis, critical use of sources and insightful interpretation. Good understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research. 65 or over equates to a B grade.

D (UCL mark 59-55) = D (Charles mark 61-70 – satisfactory)
E (UCL mark 54-50) = E (Charles mark 51-60 – sufficient):
Demonstration of a critical use of sources and ability to engage in systematic inquiry. An ability to engage in sustained research work, demonstrating methodological awareness. 55 or over equates to a D grade.

F (UCL mark less than 50) = F (Charles mark 0-50 - insufficient):
Demonstrates failure to use sources and an inadequate ability to engage in systematic inquiry. Inadequate evidence of ability to engage in sustained research work and poor understanding of appropriate research techniques.

Please provide substantive and detailed feedback!

Comments, explaining strengths and weaknesses (_at least 300 words_):

The thesis analyses empirically the financial performance of commercial banks in the CEE region in 2011-2021. The financial performance is measured by the CAMEL indicators, i.e. Capital adequacy, Asset quality, Managerial quality, Earnings and profitability, and Liquidity. The explanatory variables are bank-specific, industry-specific (there is only one variable in this category, in particular the concentration ratio), and macroeconomic. The results show that the set of statistically significant explanatory variables is different for the five chosen indicators of banks' financial performance, and that their statistical as well as economic significance differs between the EU and non-EU countries. The results contribute to the empirical literature on bank performance in CEE region, covering a relatively broad range of countries and relatively recent data sample.

The thesis has a logical structure. After an introduction to the topic in Chapter 1, there is a sufficiently deep and up-to-date literature review in Chapter 2. Data and methodology is explained in Chapter 3. Chapter 4 provides the econometric results, which are then discussed in Chapter 5. The thesis is written in decent English; in spite of minor imperfection, the reader can understand easily what the author means. The applied methodology is a standard one, and is applied with no obvious errors. The results of the Turnitin check do not uncover a significant overlap with any previous research work.

The author consulted her work with me actively in several rounds, and the final draft incorporates all my major suggestions. I thus have no further substantive comments at this stage. In general, there could perhaps be more discussion in the thesis of the overall characteristics of the estimated regression models, as the overall fit appears to be rather weak in some cases if no lagged dependent variables and year dummies were included. At the same time, the contributions in the concluding chapter do not highlight any relevance for policy-makers and/or bank managers (if there are any).

Overall, I recommend the thesis for defence and suggest a B grade (depending on the student's performance at the defence).

Specific questions you would like addressing at the oral defence (_at least 2 questions_):

(i) Discuss the overall characteristics of your regression models, as the overall fit appears to be rather weak in some cases if no lagged dependent variables and year dummies were included.

(ii) Are some of the empirical findings surprising for you, relative to the economic intuition and your prior expectations?

(iii) Do you see some practical relevance of your findings either for financial regulators or bank managers in the CEE region?