Reviewer’s bachelor thesis assessment

Student: Kai Liu
Title: Comparison of the Shanghai Stock Exchange and the Hong Kong Stock Exchange
Reviewer: Ing. Martina Novotná, Ph.D.

The topic of the thesis falls within the area of financial markets; the author has chosen the problem of capital markets, stock exchanges and their institutional structure in China. The importance of Asian markets today is evident and for this reason, the chosen topic is suitable for the bachelor thesis. The main objective is clearly declared in the introductory part. The student aims at comparing the stock exchanges in Shanghai and Hong Kong, including a discussion about their future development. The methodology used for this purpose in not clear from the first chapter, the attention is focused on their histories, regulations and products. However, with respect to the content and conclusion of this work, the objective has been achieved by the student.

The structure of the thesis is consistent with the thesis assignment. The author proceeds systematically and logically, though some parts could have been elaborated deeply or more in line with the main objective. The author has demonstrated the ability to work with the literature and other materials. There are minor grammar and spelling errors, some expressions are not perfectly clear. The work is mostly descriptive; the student uses and compiles data and information from other sources.

The work consists of six main chapters; the overall work is quite extensive. In the second chapter, main principles of the stock exchange markets have been explained. The inclusion of sub-chapter about selected stock exchanges is not entirely in line with the work (chapter 2.4). The student could have paid more attention to the criteria for comparison and provide a theoretical background for the practical application.

In the third and fourth chapter of this work, the descriptions of the Shanghai Stock Exchange and Hong Kong Stock Exchange are provided. The student proceeds analogically in both chapters, he pays attention to organisational structure, products and services, listing requirements, or listed companies. The fifth chapter is focused on the comparison of selected stock exchanges. The student uses qualitative evaluations based on international tradition, business environment or regulation. Next, he compares quantitative indicators such as market capitalisation, number of listed companies, securities, IPOs and indexes. All figures and data are taken from internet sources, the student created graphs that enables to compare both stock exchanges. There is also a discussion about future development in this chapter. Finally, main findings are summarised in the conclusion of this work.

Based on the thesis, the student is able to identify a problem and use an appropriate method to solve the problem. Regardless of the comments above, the work satisfies the requirements for the elaboration of bachelor thesis.

Themes for discussion:
- Is there only one central depository in China for both stock exchanges?

For the reasons above, I recommend the thesis for the oral defence.


Ing. Martina Novotná, Ph. D.