

REFEREE'S REVIEW

Program:	MCF
Student:	Denis Skolota
Title of thesis:	Market Valuation of Internet Companies: Investigation of Possibility of a New Tech Bubble

Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis. Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.	5			
Structure and logic of the text flow. Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.	5			
Quality of analytical approach and quality of offered solution to the research objectives. Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.	5			
Quality of data gathering and description. Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.	5			
Scientific aspect of the thesis. Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.	4			
Practical/applied nature of research. Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.	5			
Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defense, correct layout of tables, figures, references.	5			

Each item above is evaluated on the following scale, as applicable: 5 = excellent, 4 = good, 3 = satisfactory, 2 = poor.

Additional comments:

The paper analyses the possibility of the stock market being in a tech bubble at the moment. The paper consists of three chapters. Chapter 1 presents literature overview and defines bubbles. Chapter two develops methodology that is used, and chapter 3 applies the methodology to US tech companies from 1996 to 2012.

The main idea of the paper is to analyze the behaviour of some indicators during dot-com bubble in 2000, make conclusions what could be indications of the "hot market" or bubble, and look at the same indicators today. The student analyzed the connection between market values and fundamentals using regressions, and also conducted "technical analysis", which is the analysis of time series related to stock market behaviour. The difference between now and 2000 dot-com bubble is clearly shown.

I would like to emphasize that the logic of the research is very clear, each part of the analysis and research questions are clearly formulated. The literature survey helps the reader to understand the approaches to identify bubbles in the data and supports the analysis made by the author. The findings of the paper are clear as well. The conclusion made by the student, which is the negative answer to the main research question, is very well supported by the analysis.

At the same time, I believe the contribution to the contemporary research is average. The analysis in the paper is very similar the analysis made by Christoffersen and Gullbrandsen in their Masters thesis in Copenhagen Business School. The indicators that are used in the current research are different (above mentioned paper did not use the regression analysis, which is an interesting approach), but the findings are

very similar. I feel the author should have better emphasized the difference between his work and the above mentioned paper, and argue that his approach is a significant addition comparing to Christoffersen and Gullbrandsen.

Nevertheless I believe the paper deserves the highest possible grade.

A few mistakes:

- Page 9, formula 1.2 is incorrect
- Page 18, the first sentence in the paragraph "Precipitating factors" is very unclear
- Page 33, the hypothesis formulation: the null and alternative hypothesis are not mutually exclusive (there should be "and" in one of the lines)

Master thesis of Denis Skolota meets the requirements of MCF program, and deserves an **excellent** grade, thus the author can be given the desired degree.

Date June 13, 2012

Referee: *(academic title, name)*

Victor Archavski, PhD

A handwritten signature in blue ink, consisting of several overlapping loops and strokes, positioned to the right of the referee's name.