

SCIENTIFIC ADVISOR'S REFERENCE

Program:	MCF
Student:	Nataliya Guk
Title of thesis:	VALUING CORPORATE BONDS WITH EMBEDDED OPTIONS IN RUSSIA

<p>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.</p>
<p>Russian companies use to issue the bonds with much more sophisticated provisions than it is customary for foreign companies. This is the stem of the interest in the topic of bonds with embedded options. This is advanced area of financial engineering.</p>
<p>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.</p>
<p>Structure is logical and it contains some solutions for two different but complementary problems. Chapter 2 is devoted to valuation of particular bonds. This is normative. Chapter 3 is devoted to an empirical study of the Russian corporate bonds market. The aim is to identify the drivers of the use of embedded options on the company level.</p>
<p>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.</p>
<p>In Chapter 2 the author uses Fabozzi techniques to value a sophisticated bond of NWT. Chapter 3 is devoted to econometric analysis.</p>
<p>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.</p>
<p>All data were collected by hands form bonds.info site including the analysis of emitters' prospects. Literature list is intensive.</p>
<p>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.</p>
<p>The study is original and substantially contribute to the field.</p>
<p>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.</p>
<p>Practical implications both of valuation line and drivers line are important.</p>
<p>Quality of thesis layout. Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.</p>
<p>Excellent.</p>

The Master thesis of Nataliya Guk completely meets the requirements for master thesis of MCF program thus the author of the thesis can be awarded the required degree.

Date: June 17, 2013

Scientific Advisor:
Professor



Alexander Bukhvalov