**SCIENTIFIC ADVISOR’S REFERENCE**

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| **Program:** | **Master in Corporate Finance** |
| **Student:** | **Aidar Zaripov** |
| **Title of thesis:** | **Disclosure practices and riskiness of financial institution** |
| **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. |
| Demand for corporate disclosure arises due to the existence of information asymmetry, when mangers have better information about the company’s performance than investors and other external stakeholders do, and agency problem, when managers act in their own interests potentially to the detriment of shareholders’ interests . In particular, limited information, high level of complexity, opacity of banks contribute to mispricing of risks by investors. Requirements to increasing the level of disclosure by managers might be a potential solution toward mitigating these problems. Thus, Aidar Zaripov conducted a study aimed at obtaining the answer to the following question: whether there is any relationship between disclosure and riskiness of a financial institution. The topic of the research is certainly relevant and up to date. To achieve this goal the student met the following objectives: he justified the grounds of risk assessment; the role of corporate disclosure in capital markets; conducted an empirical study aimed at identifying the relationship between disclosure and riskiness of a financial institution.  |
| **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. |
| The structure is logical. The structure of the thesis is as follows: introduction, three chapters, conclusion and references list. In the first chapter Aidar concentrates on theoretical grounds of risk assessments. Particularly he describes different types of risk that investors face while making investment decisions. In the second chapter he discusses the role of corporate disclosure in capital markets, describes the disclosure regulation in the United States. Additionally he provides an overview of prior researches related to the analysis of relationship between disclosure and different types of risk. Chapter 3 is devoted to the empirical analysis of the relationship between disclosure and different types of risk. Based on the results of analysis some managerial implications are provided. |
| **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. |
| Literature review is logically related to the research topic; the conducted study and the obtained results demonstrate good level of the author’s analytical skills. In general, the quality of the analytical approach can be evaluated as good. |
| **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. |
| The data used in the study is relevant. The presented methodology of statistical and regression analysis are adequate for conducted research. List of references is relevant and includes contemporary sources: both classical papers and contemporary studies on the researched topic. |
| **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. |
| The thesis is done independently. The author applied existing methodology used in previous studies in order to analyze the relationship between disclosure and riskiness of financial institution. Taking into account the fact that there is no consensual opinion about the relationship between disclosure and different types of risk, the thesis has practical significance. |
| **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. |
| The empirical study was conducted on a sample of 66 publicly listed United States bank holding companies over the period 2010-2013. The author has identified the existence of the relationship between disclosure and riskiness of a financial institution. Based on the obtained results, Aidar Zaripov concludes that higher level of disclosure may be useful for investors as well as for banks themselves.  |
| **Quality of thesis layout.** Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references. |
| The formal structure of the paper meets the requirements of the thesis preparation. |
| **Originality of the text**. All sources of match identified by the Safe Assign system follow the allowed cases, the paper does not contain any elements of plagiarism.  |
|  The thesis text is original and does not contain elements of plagiarism. |

The Master thesis of **Zaripov Aidar** meets the requirements for master thesis of MCF program thus the author of the thesis can be awarded the required degree.

Date

1.06.2016

Scientific Advisor:

Asc. Prof. Irina Berezinets