

## **Integration of emerging stock markets**

The aim of this thesis is to quantify the level of integration of emerging stock markets with developed markets. The work will focus on the mutual relationships between emerging equity markets from different regions and selected developed stock markets. Emphasis is, however, on the countries from the Eastern and Central European region. The methodology will be mostly based on the tools of financial econometrics. Due to the stability of the financial system, the monitoring of connectedness among equity markets is particularly important for governments and central banks. The integration of equity markets has an impact on the real economy by providing lower (but stable) expected returns, reducing the cost of capital, which has ultimately resulted in the inflow of foreign investment. In practical terms, the area of integration of stock markets is also interesting from the perspective of portfolio theory and effective international diversification.

## **Prediction of corporate bankruptcy**

The aim of this thesis is to design prediction model of corporate financial situation based on the empirical data. The thesis deals with examining the predictive power of the well-known bankruptcy and credit models from the perspective of corporations located in the Czech and Slovak Republic. The main contribution should be creating and verifying our own bankruptcy model with the application in these countries. The theoretical contribution will be a verification of the predictive power of models already well established in the literature; although they were not created on the sample data from the Czech and Slovak companies.