

## A review of the Dissertation Thesis:

### “The Capital Regulation Implementation Supervision Used in Vietnamese Commercial Bank Sector”

The dissertation thesis named “The Capital Regulation Implementation Supervision Used in Vietnamese Commercial Bank Sector”, written by Mr. Ho Thanh Tung, deals with an actual topic. The stability of the banking system is highly important not only for the stability of the financial system but also for the stability of the whole economy. The Basel rules were created in order to help individual countries and their monetary authorities to regulate the banking sector and to secure its stability. As the historical experience has shown that the Basel II regulations were not able to prevent the banking sector from huge trouble during the global financial crisis of 2008, Basel III framework was prepared. Its implementation should help the banking system to overcome the next crisis in a better shape. As the Vietnamese central bank has decided to implement some of the new Basel rules, the topic of this dissertation thesis is highly actual and it has the potential to provide some valuable findings and conclusions.

The dissertation thesis has a standard structure. In the first part of the thesis, a detailed overview of relevant literature is provided. The literature overview in fact continues in chapter 4.2 „Variable Definition“, where author not only defines variables used in his models but also provides information about the usage of the indicators in works of other authors. The author proves his orientation in the topic and his ability to work with various information sources.

In the second part, the author defines the targets and hypotheses, as well as the scientific methods that will be used in the practical part of the thesis. The target is defined as: *“To suggest an approach that is applicable to Vietnamese Commercial Banks system. This approach will be built upon state-of-the-art bank's regulation and supervision methods used, focused on capital regulation requirement in accordance with the Basel regulatory framework.”* It is possible to conclude that the target is quite ambitious, on the other hand, its successful fulfilment could provide some very useful practical implications. Also the research questions are well chosen, as they focus on some of the technical aspects of the Basel framework implementation, on its impacts on ROA of the banks and on seeking of the most efficient regulatory and supervisory rules that could enable a smooth implementation of the Basel framework in the Vietnamese banking sector.


The third part of the dissertation thesis is focused on results and discussion. In this section, the author processed a lot of data and prepared many figures. However, whole 16 pages are devoted to the descriptive statistics, which is relatively uncommon. The author uses regression analysis to evaluate the impacts of the implementation of Basel II on the efficiency of the Vietnamese banks. He also analyses the developments in the Vietnamese banking sector before and after the Basel II implementation. Based on the analysis he tries to identify the factors that helped with the Basel implementation and also the factors with the biggest impact on banks' efficiency. As a result, the author proposes which indicators should be regulated and supervised during the Basel III implementation. The main target of the thesis can be considered as fulfilled. However, after some further research, there is some potential to deepen the conclusions and propose some more specific recommendations. In his future research, the author should try not only to set which indicators should be regulated and supervised, but also to propose how exactly they should be regulated and supervised.

Although the dissertation thesis of Mr. Ho Thanh Tung provides some interesting results, it contains also several deficiencies. The thesis includes numerous grammar and stylistic errors and in several sentences some words are missing. These issues don't affect the comprehensibility of the text too much, however, they affect the overall impression from the thesis negatively. The author has also set two hypotheses, however, he hasn't concluded whether the hypotheses can be accepted or rejected.

It is also important to comment on the author's publication history. Although it is positive that the author was able to publish a paper in a Scopus indexed journal, the list of publications is relatively short and it includes mainly conference papers. On the other hand, all of the articles are focused directly on the Basel standards and the Vietnamese banking sector, which shows authors long-term focus on the topic of the dissertation thesis.

Despite some of the weaknesses, the dissertation thesis provides several important practical implications and recommendations and it can be a useful contribution to the current state of scientific knowledge. As a result, I recommend the dissertation thesis of Mr. Ho Thanh Tung for defense.

In Bratislava, 10.6.2018



doc. Ing. Peter Árendáš, PhD.