

ACADEMIC REVIEW

By Associate Professor Eduard Vasilev Marinov, Ph.D., Department “Economics, New Bulgarian University, Professional field 3.8. “Economics”

of a dissertation for the awarding of an educational degree in 'PhD studies'

in Academic track 3.“Social, Economics and Legal Science”,

Professional field 3.8. “Economics”,

Doctoral program “Finance, Insurance and Social Security”

Author: Maria Filipovska-Dimitrova

Topic: "Risk management of financial assets"

University supervisor: Prof. D.Ec.Sc. Prof. Virginia Zhelyazkova, VUZF University

1. Summary of the provided materials

By order № 110 of 28.06.2021 of the Rector of the VUZF University Assoc. Prof. Grigoriy Vazov, Ph.D. I was appointed a member of the Scientific jury to provide a procedure for defense of a dissertation on "Risk management in financial assets" for acquiring the educational and scientific degree "Doctor" in Academic track 3.“Social, economic and legal sciences”, Professional field 3.8. “Economics”, Ph.D. Program "Finance, Insurance and Social Security". The author of the dissertation is Maria Filipovska-Dimitrova – Ph.D. student in an independent form of education at the Department of Finance with supervisor Prof. D.Ec.Sc. Prof. Virginia Zhelyazkova from the VUZF University. During the first gathering of the Scientific jury, held on July 8, 2021, I was appointed as a reviewer in the procedure.

The materials submitted by the candidate include a CV, thesis, abstract, reference to the compliance with the minimum national criteria for acquiring the ESD "Doctor", summaries of the publications related to the dissertation (in Bulgarian and English), as well as the publications themselves. The doctoral student has attached 3 publications (one article and two published papers from a scientific forum) and an official note for the acceptance of one of them for publication.

The presented materials correspond to the obligatory requirements of the Law for the Development of Academic Staff in the Republic of Bulgaria (ZRASRB) for acquiring the educational and scientific degree "Doctor" in the professional field 3.8 "Economics".

2. Brief biographic data for the PhD candidate

Maria Filipovska-Dimitrova graduated with a Bachelor’s degree in International Relations from the University of National and World Economy in Sofia, after which she further developed her specialization in the same specialty with a Master's degree at Sofia University "St. Kliment Ohridski".

Later she obtained a second Master's degree in "Finance" at the University of National and World Economy, which gives her a good basis for developing a dissertation on the chosen topic and helps for the highly professional fulfillment of the requirements for acquiring the ESD "Doctor" in professional field 3.8 "Economics". During the work on the dissertation and currently she works as a financier in "Fisconsulting" Ltd., where she deals with financial analysis and consulting in connection to the financial and accounting activities of legal entities and individuals, which provides a good basis for a practical view at the topic of financial risk management, discussed in the thesis. She is fluent in English and uses Russian on a professional level, which is evident from the use of multiple literature sources in these languages in the preparation of the dissertation. The overall educational and professional profile of Maria Filipovska-Dimitrova fully corresponds to the chosen topic for the development of the Ph.D. thesis and helps her to achieve the goals of the study and its scientific and scientific-applied contributions.

3. Relevance of the retained data and expediency of the goals and the objective set

The study is characterized by indisputable relevance and significance of the very choice of the topic and its development on the pages of the thesis. The acquaintance with the thesis in its complete text shows a correspondence between the set goals as a synthesis of the title and the achieved results. Account should also be taken of the author's courage to consider difficult and complex issues, which have some obvious aspects of contradiction, divergence of opinions and assessments in the available literature and in real life and practice itself. The set goals and tasks, as well the achieved positive results in general determine my principle approval of the work as possessing the necessary qualities of a dissertation for obtaining the educational and scientific degree "Doctor".

4. Knowledge of the task

The statements and conclusions are based on professional analysis and assessment of the modern business environment, the trends and methodology of risk management based on the peculiarities of capital flows in national and international practice and the resulting risks to financial assets and investments based on the utilization of a very rich set of Bulgarian and foreign literature, as well as specific data and facts about the development of theories and practices for risk management in financial activities in the new contradictory economic and financial realities. In the consistent development of the exposition – from the introduction, throughout the four chapters to the conclusion, it is clear that the author has a really good knowledge of the issue – both theoretically and practically, thus reaching a number of positive results related to various aspects of the selected issues, which will be discussed in the following paragraphs.

5. Research methodology

The research approach to the issues raised is based on the systematization of those aspects of financial theory that allow the most appropriate mechanisms to improve risk management in financial activities. The methodology and methods based on analysis and synthesis of theoretical formulations and results of empirical research, logical approach, inductive and deductive methods and comparative

analysis of different views and practices related to risk management in the financial sphere are convincingly chosen and applied. The chosen research methodology allows the doctoral student to achieve the set goal and obtain an adequate response to the tasks solved in the dissertation.

6. Characteristics and evaluation of the dissertation work

The dissertation consists of 192 pages. The literature used covers a total of 160 sources in Cyrillic, Latin and Internet sites.

The introduction very precisely and correctly formulates the purpose, the object and the subject of research, the main goals and tasks, the research thesis and what is especially important – the limits of the research are implicitly placed. The methodology and methods for analysis and evaluation are convincingly selected and applied.

Chapter one is devoted to the generalization and systematization of general theoretical and methodological views about the nature, specifics of management systems and the methodology for financial risk assessment. The opinions of foreign and Bulgarian authors on the nature, peculiarities, subjective character, typology, and summary of the methods for economic-mathematical analysis for risk assessment and management are synthesized, but at the same time substantiated and critical, putting the framework for the rest of the study.

Chapter two aims to present in a systematic way the nature and various forms of management of financial assets and their functions in connection with the possibilities for financial risk management. In this way, together with the results achieved in the first chapter, a clear and logically substantiated basis for studying the financial risk and the possibilities for its management is formed.

The most important and interesting point in Chapter Three is the study of different types of financial assets, and special attention should be paid to the detailed summary of new types of financial assets, liabilities and operations with them, and especially - the systematic presentation of ratings of different types of securities at the end of the chapter. Specifically, in detail and in depth, the author considers the development of financial markets and securities markets as a basis for the study of problems in the formation of financial assets and financial risk management.

Chapter Four, on the basis of the systematization and supplementation of scientific knowledge achieved in the previous parts, contains a number of achievements of the doctoral student, substantiating the achievement of the main goal of the presented work, incl. many applied contributions such as possible options for assessing the potential risks of a loan portfolio, assessing the different types of risks, the framework for approaches to managing a securities portfolio, and most importantly – the systematization of a procedure for obtaining information on the quality of management of risks in an aggregate indicator.

The conclusion correctly and comprehensively summarizes the main conclusions of the study, which furthermore clearly demonstrates the relationship and the way in which they contribute to the implementation of the goals and objectives of the study set by the Ph.D. student.

The use of a wide range of literature sources - mainly scientific papers, but also a lot of empirical research, contributes to the high reliability of the material on which the contributions of the dissertation are built, as well as to the usefulness of the dissertation - both for academia and in purely practical terms.

7. Contributions and significance of the dissertation work for education and business

The form, style and language of the research leave the impression of professionalism and very good knowledge in the field of research – all elements of the structure are very accurately presented. Logic and consistency are shown throughout the exposition.

Based on the systematization of a large number of literature sources, in the first chapter the author offers us a "hidden" but important contribution – an author's definition of the term "risk", on the basis of which further in the study important and practical results are derived, corresponding to the purpose of the study – revealing the conditions and mechanisms for improving risk management in financial activities. These achievements of the doctoral student can be defined as enrichment of existing knowledge.

Very well synthesized, convincingly and clearly enough, analyzing a large volume of scientific-theoretical and empirical sources, the author manages to objectify the dialectical relationship between risk and return on assets, as well as the subjective nature of risk and the resulting different approaches to determining the functional nature of asset risk management. These contributions can be defined as the application of scientific concepts aimed at solving specific applied problems.

An achievement of the Ph.D. student which should be specifically considered, made on the basis of the above-mentioned contributions, are the derived practical guidelines for analysis, assessment and management of financial risks – the need to apply as the most appropriate tool for analyzing the potential liquidity risks – the GAP-analysis, the derived methodology for the organization of the preparation and assessment of the quality of management decisions and their optimization in terms of risk for the financial assets, the proposed methodology for determining the internal credit risk of a financial issuer of debt assets using a detailed assessment of expected losses through the parametric VaR-model, and the procedure for obtaining information on the quality of financial risk management, through a system of questions for their assessment to derive an aggregate indicator for the individual components. These contributions have a specific scientific and applied nature.

The evaluation of the positive results of the dissertation should not miss the very good conclusion of the thesis – furthermore, here the summaries and conclusions are most convincing, comprehensive in relation to the overall study and proving the achievement of the main goal formulated in the title.

My general assessment is that the presented results of the research in the dissertation of Maria Filipovska-Dimitrova can be characterized as enrichment of existing knowledge and application of scientific achievements. The derived scientific results and conclusions correspond to the formulated contributions. The dissertation research provides an opportunity for future developments on the topic to further develop the applicable in practice meteorological tools - methodology for organizing the preparation and evaluation of the quality of management decisions and their optimization in terms of risk for the financial asset, methodology for determining internal credit risk of a financial issuer of debt assets and a procedure for obtaining information on the quality of financial risk management.

8. Evaluation of dissertation publications

The competition documents include 3 publications – an article in Bulgarian, accepted for publication (certified by an official note) in the "Money and Culture" Journal and two publications of

papers presented at a scientific forum in English. All publications are own and meet the requirements for applying for a Ph.D. competition, showing the author's activity – participation with scientific papers in conferences to approbate the results and to deepen the study conducted in the thesis in more detailed research topics. The attached publications complement the theoretical contributions to the dissertation – regarding credit institutions (mostly in theoretical and historical terms), but also have a strong applied element related to the issues of optimal formation of a portfolio of financial assets and financial risk management.

9. Assessment of compliance with the minimum national requirements

Maria Filipovska-Dimitrova presented a detailed reference on the implementation of the minimum required points according to the Regulations for the implementation of the ZRASRB by groups of indicators, including the thesis and three publications. The documents on the competition, provided by the Ph.D. student, show that the work on the dissertation was completed within the statutory period and meet all the requirements of the Law For The Development Of Academic Staff In The Republic Of Bulgaria, the Regulation on its implementation and the Ordinance for training of doctoral students at the VUZF University for acquiring the educational and scientific degree "Doctor" in the professional field 3.8. "Economics".

10. Personal participation of the candidate

The contents of the dissertation, the clearly demonstrated author's opinion and conclusions, as well as the declaration of originality attached to the Abstract, convince me that the Ph.D. student personally conducted the dissertation research, participated in each step of the process of analysis and comparison of results and that all results and contributions are her personal merit. The dissertation and the publications attached to the competition correctly refer all external sources used, while the thesis shows the doctoral student's ability to select relevant scientific sources and to review and analyze them on a theoretical level. I can confidently say that in my opinion the evaluated dissertation work is Maria Filipovska-Dimitrova's own research, in which there is no plagiarism.

11. Evaluation of the abstract

The presented Abstract consists of 44 pages and gives a very good and complete idea of the results of the research conducted in the dissertation – a concise presentation, professionally formulated objectives, justification of the chosen structure, methodology and research methods. The contributions of the study are presented to the author's abstract, and can be accepted as correctly reflecting the results of the research and showing the necessary sober self-assessment of the author. This is a sort of a promise for a good future development of Maria Filipovska-Dimitrova in the field of research.

12. Remarks and recommendations

Such a study, devoted to such a difficult and diverse subject as financial risk management, predisposes to reflections, questions and considerations related to the further development of the au-

thor's research. In this sense, the following critical remarks should be understood in the form of recommendations.

When developing such a large volume of work, it would be good to have one or two paragraphs at the beginning of each chapter, which should briefly acquaint the reader with its content, and at the end of the chapters to have several paragraphs, briefly systematizing the main conclusions and summaries, which will ensure the smooth connection between the separate parts of the research.

I recommend to the author in her future research, especially with regard to the creation of investment portfolios and risk management of financial assets to use more actively specific mathematical-economic, econometric and empirical methods for greater concretization and achieving more measurable and realistically applicable in practice results.

Although original and innovative, the methodological apparatus for risk analysis, assessment and management proposed in the dissertation should be practically adapted and this should be reflected in future publications of the doctoral student.

In this type of study, it is good to use more illustrative and quantitative tools (tables, figures) and data to better support the analytical summaries and conclusions made. It would be good for the figures and tables to be numbered, as well as for their contents to be displayed at the end of the text.

The critical remarks made in no way diminish the already emphasized importance of the contributions and advantages of the dissertation, but should be considered as recommendations for the future scientific work of Maria Filipovska-Dimitrova.

13. Personal impressions

Although brief, my acquaintance with Maria Filipovska-Dimitrova convinces me that she is a motivated, highly professional person, with a clear and reasoned opinion on many issues, especially those related to her scientific interests, and has serious potential for a future academic and scientific development.

14. Recommendations for future use of dissertation contributions and results

The possibilities for future use of the scientific and scientific-applied contributions of the dissertation research are very wide and I recommend the doctoral student to consider their wider dissemination among the academic community by presenting them to scientific forums (especially abroad) and publishing extended and further in-depth analyzes on individual issues of the researched topic in scientific journals (especially referenced in prestigious scientific databases), as well as to consider the development and publication of a monograph on the topic of the dissertation, which could be used both as a textbook for students in the field of finance, as well as a practical guide for those working in the field of risk management in financial activities.

CONCLUSION

The dissertation *contains scientific, scientific-applied and applied results, which represent an original contribution to science* and **meet all the requirements** of the Law for the Development of

Academic Staff in the Republic of Bulgaria and the Regulation for the application of ZRASRB. The presented materials and dissertation results **fully comply** with the specific requirements of the Ordinance for admission and training of Ph.D. students at the VUZF University.

The dissertation shows that Maria Filipovska-Dimitrova **has** in-depth theoretical knowledge and professional skills in Professional field 3.8. "Economics", **demonstrating** qualities and skills for independent research.

Due to all aforementioned, and based on the positive results achieved in the dissertation, the nature of the critical remarks made and in accordance with the accepted criteria for obtaining a scientific and educational degree "Doctor", I ***recommend with my full confidence to the esteemed Scientific jury Maria Filipovska-Dimitrova to be awarded the educational and scientific degree "Doctor"*** in Academic track 3."Social, economic and legal sciences", Professional field 3.8."Economics", doctoral program "Finance, Insurance and Social Security".

27.08.2021

Reviewer: 

/Assoc. Prof. Eduard Marinov, Ph.D./