

State Final Examination Questions for the Bachelor Study Program
in Economics and Management;
area: Business Economics

1. **Consumer Behavior and Demand Formation:** total and marginal utility, law of diminishing marginal utility, consumer equilibrium, law of equal marginal utility per monetary unit, price and non-price factors of demand, elasticity of demand; geometric analysis of consumer equilibrium; price elasticity of demand for selected products and its use in marketing.
2. **Cost Analysis and Supply Formation:** production function; total, average, and marginal product; law of diminishing returns, returns to scale; total, average, and marginal revenue under perfect and imperfect competition; variable, fixed, and total costs; explicit and implicit costs, average and marginal costs; total, net, and accounting profit.
3. **The Firm under Perfect and Imperfect Competition:** reasons for the existence of the firm, transaction costs, Coase theorem, demand curve, revenue in perfect competition, equilibrium condition; supply curve and firm shutdown point, break-even point, price elasticity of supply, market equilibrium in perfect competition; imperfect competition, firm equilibrium in imperfect competition, collusive and dominant firm oligopoly, monopolistic competition.
4. **Capital Market and Investment Decision-Making:** capital, investment, supply in the capital market, interest and interest rate, marginal cost of capital, marginal revenue product of capital, demand in the capital market, equilibrium in the capital market, present value of expected future returns, Tobin's q ; profitability, risk, liquidity, payback period, profitability index, internal rate of return.
5. **Sectoral Structure of the Economy:** categorization of economic activities – elementary, NACE, Morningstar. Sectoral structure of the Czech economy. Sectoral interactions of the economic cycle, economic growth and change in sectoral structure, Prague Stock Exchange Index (PX) and its constituents.
6. **Regulation of Economic Competition:** horizontal and vertical relationships in a sector, market power, industry concentration, methods of their measurement. Mergers and acquisitions and their regulatory aspects.
7. **Banking Products and Services:** simple and compound interest, interest rate in practice, importance of liability-side operations from the bank's perspective, types of non-cash payments and settlement methods, four-party card payment model, importance of



asset-side operations from the bank's perspective, consumer credit with and without a repayment plan, building savings.

8. The Bank as a Business: most significant assets and liabilities of a commercial bank, structure of revenues and costs of a commercial bank, liquidity risk, credit risk, market risk, operational risk, components of capital adequacy, specific indicators of profitability, productivity, and cost-efficiency for a commercial bank.

9. Accounting Principles and Financial Statements: nature and function of accounting, generally accepted accounting principles, accounts and chart of accounts, accounting documents, double-entry and correlation of accounting records, accounting books, legal regulation of accounting; balance sheet equilibrium, assets and sources of funds, costs and revenues, content and preparation of financial statements, their interconnections and use.

10. Managerial Accounting: basic characteristics, functions and goals, cost classification, full and variable costing, classification of costing methods and the company's costing system, use of costing, transfer pricing, preparation of plans and budgets, cost and profit centers, strategic responsibility accounting, Balanced Scorecard, forms and methods of internal accounting.

11. Decision-Making Problems in Managerial Accounting: problems with existing and future capacity, pricing decisions, sensitivity analysis, optimization problems, "make-or-buy" decisions, setting the price floor, investment decision-making, investment appraisal methods – payback period, net present value, profitability index, internal rate of return, cost-based methods.

12. Financial Analysis and Financial Analysis Ratios: nature, stages, and procedures of financial analysis, comparative analysis, trend analysis, absolute indicators and their informative value, financial plan; profitability ratios, activity ratios, liquidity ratios, debt ratios, capital market ratios, pyramid decomposition, EVA indicator, Altman's Z-score model, alternative models for predicting financial distress.

13. Short-term and Long-term Financing: working capital management and financing, structure of current assets and short-term sources, inventory optimization, management of receivables and cash; internal and external sources of long-term financing, lease financing, project financing, forfaiting.

14. Labor Market: labor market under perfect competition, demand for labor, supply of labor, substitution and income effect, equilibrium in the labor market; labor market under imperfect competition, bilateral monopoly, monopsony.

15. Economic Policy and Macroeconomic Product: goals of government economic policy, instruments of state intervention in the economy; Gross Domestic Product,



Gross National Product, methods of measuring macroeconomic product; nominal GDP in the Czech Republic; government spending multiplier; net exports, open economy multiplier, marginal propensity to import; sectoral multipliers in the Czech economy.

16. Fiscal Policy: goals of fiscal policy, instruments of fiscal policy, state budget and its structure; consequences of public debt, total tax burden, causes of growth in the tax burden and public spending, expansionary and restrictive fiscal policy; Laffer curve and fiscal policy in the Czech Republic.

17. Tax System of the Czech Republic: nature and classification of taxes, tax efficiency, tax equity, tax incentives and impacts, tax determination; income and property taxes, tax rate, payer and taxpayer, method of tax collection; general and selective consumption taxes, customs duties; tax base and its adjustments, tax rate, payer and taxpayer, VAT control statement.

18. Money Market and Banking System: nominal and real interest rate, generation of bank money, money multiplier, destruction of deposits; commercial banks in the Czech Republic, deposits, loans, payment systems, services, financial markets; central bank, indirect instruments of monetary policy, direct instruments of monetary policy, expansionary and restrictive monetary policy, quantity theory of money; CNB discount rate.

19. Inflation and Unemployment: definition of inflation, Consumer Price Index, Producer Price Index, GDP deflator, difference between CPI and GDP deflator; development of inflation rate in the Czech Republic and the world, causes and forms of unemployment, original, modified, and extended Phillips curve; unemployment rate in the Czech Republic and the EU.

20. Exchange Rate, Balance of Payments, Securities, and Collective Investment: foreign currency cash and non-cash, exchange rate, absolute and relative form of purchasing power parity theory; depreciation, devaluation, appreciation, revaluation; central bank interventions in foreign exchange markets; definition and structure of the balance of payments, trade balance; CNB foreign exchange reserves; exchange rate systems, fixed and floating rates, currency risk, swaps, forwards; basic types of securities, stock analysis, financial derivatives, collective investment.

Basic:

MEJSTŘÍK, M. a kol. Bankovníctví v teorii a praxi = Banking in theory and practice. Praha : Karolinum, 2014. ISBN 978-80-246-2870-7.

BREALEY Richard A., Stewart C. MYERS a Franklin ALLEN. Principles of corporate finance. New York, 2014. ISBN 978-0-07-803476-3.

SAMUELSON, Paul Anthony a William D. NORDHAUS. Economics: 18. ed. Boston: McGraw-Hill Irwin, 2010, ISBN 0073511293.

