

To the Department of Finance and Credit
at the SA "D. A. Tsenov", Svishtov

Opinion

by Assoc. Prof. Dr. Lyudmil Krastev,
member of the Scientific Jury for the procedure for the public defense of a
dissertation on the topic

"Current Issues in Valuing Equity Instruments",
with author Vladislav Lyubomirov Lyubenov

Prepared by: Assoc. Prof. Dr. Lyudmil Krastev.

The opinion was prepared based on order No. 293 of 27.03.2025 of the Rector of the SA "D. A. Tsenov" for inclusion in the Scientific Jury and a decision from a meeting of the Scientific Jury of 2.04.2025 for the preparation of an opinion. The opinion was prepared in accordance with the standard for the SA "D. A. Tsenov" structure of an opinion for the acquisition of the ONS "Doctor".

Author of the dissertation:

Vladislav Lyubomirov Lyubenov , D010221238

Topic of the dissertation:

"Current issues in the valuation of equity instruments".

I. General presentation of the dissertation:

The object of research in the dissertation is stocks and units of exchange-traded funds, as well as closely related indicators of the real economy - inflation and household consumption.

The subject of research is the interrelationships between the profitability of investments in equity instruments and inflationary processes on the one hand, as well as the dependence on household spending, on the other.

The aim of the dissertation is to expand knowledge in the field of equity valuation through innovations in the understanding of the interrelationship and the impact of equity valuation on the real economy.

The main research thesis defended in the dissertation is the existence of a sustainable relationship between equity income and inflationary processes, which interdependence can be used to improve short-term inflation forecasts.

The dissertation is 254 pages long and contains: an introduction, an exposition in three chapters, a conclusion, a list of cited and used literary sources – 103 items and a declaration of originality. The dissertation is illustrated with 11 figures and 13 tables.

The author has the required number of publications related to the topic of the dissertation (according to the national minimum requirements).

II. Assessment of the form and content of the dissertation.

The relevance of this work, as the author points out, is determined by the insufficient study of systematic risk in investments. This work meets the standards for conducting modern scientific research.

In connection with the main goal set, the following tasks are formulated in the dissertation:

- To develop a model to enrich the toolkit for analyzing the relationship between inflation and financial markets, by integrating the stochastic discount factor as a fundamental component in the theory of asset valuation, allowing for a more precise determination of the fair value of equity instruments.

- To explore possibilities for more accurate forecasting of inflation, which is of key importance in the assessment of future cash flows and the determination of the real profitability of financial instruments, especially in conditions of variable inflation.

- To reveal statistically significant dependencies between capital markets, on the one hand, and macroeconomic indicators, consumer behavior and the effect of welfare on aggregate demand, which would help to better understand the mechanisms for the formation of risk premiums and the valuation of equity instruments.

The author has in-depth scientific knowledge in the field of business valuation. In the third chapter, regression models are used, including time series models for forecasting inflation using data from the financial market. This makes his research significant for both theory and practice.

III. Scientific and applied scientific contributions of the dissertation.

In the abstract to the dissertation, the author has highlighted the following more important contributions.

1. A new mathematical expression of the relationship between inflation and the capital market is derived, which is established through specific models.
2. The structural influence of factors such as inflation and capital markets on the distribution of household budgets and, respectively, household spending is studied.
3. It is established that the welfare effect has a proportional share in consumer spending both in a quarterly and a monthly period.

IV. Questions on the dissertation.

1. How reliable do you consider the inflation forecasting model you presented?
2. Are your statements applicable to the Bulgarian capital market?

V. Summary assessment of the dissertation and conclusion.

The dissertation is a complete and well-structured scientific work, which gives me reason to give a positive assessment. In conclusion, I formulate a proposal for awarding the educational and scientific degree "doctor" in the doctoral program "Finance, Money Circulation, Credit and Insurance (Finance)" to Vladislav Lyubenov.

Date:

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04/08/2025
Lyudmil Krastev)

Prepared the opinion:

(Assoc. Prof. Dr.