Report on **Bachelor / Master Thesis**

Institute of Economic Studies, Faculty of Social Sciences, Charles University

Student:	Viktoriia Ilina
Advisor:	Michal Král
Title of the thesis:	Is hype really that powerful? The correlation between mass and social media and cryptocurrency rates fluctuations

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.

Contribution

Cryptocurrencies are no doubt one of the phenomenon of 21st century. Its price development and factors driving it is to this day not completely understood area, which many researches, investors and even general public is trying to understand. Viktoriia is in her empirical thesis closely studying this phenomenon, paying special attention to possibly one of the most elusive potential determinant of price of cryptocurrencies – media hype. Viktoriia put together daily dataset spanning more than 2 years and analysed price of 2 cryptocurrencies, Bitcoin and Tezos, together with 7 mass and social media factors, trying to find interdependence between them and figure out if media hype can considered as a predictor of price for these two cryptocurrencies, in long, medium or short term. Viktoriia indeed found relationship between price of cryptocurrencies and media hype, however the relationship is other way around. Price change is significant prior for media hype, not a determinant of price. Because of this the contribution is definitely present and I think appropriate for Mster thesis, however not as strong as me and Viktoriia hoped for.

Methods

Viktoriia demonstrated proper technical skills putting together quite an uncommon dataset. Trying to quantify such a thing like media hype can be difficult, however Viktoriia dealt with it quite well. I especially liked usage of the sensitivity analysis and the dicussion of its drawbacks and weak points, which demonstrates, that Viktoriia is well aware of data, she is working with. One thing, which I would like to see, is some kind of attempt to put all of the variables describing media hype into one and studying their joint effect. Maybe the effect is distorted betweeb media and social platforms and that is why the relationship is not as strong as we would like to see. Advanced empirical methods are used well and their discussion as well as discussion of results is satisfactory.

Literature

Viktoriia made a good use of existing literature introducing cryptocurrencies themselves as well as all the problems with trying to model its rather chaotic behavior and price jumps. There is a rigorous review studies that are discussing existing factors that can influence prices of cryptocurrencies. What I am missing is deeper discussion and bigger focus on studies that are working with prices and media hype. There is summarization of mentions of presence of media hype concept in several studies, however bigger focus particularly on these studies would be welcome rather than overwhelming list of studies about other factors driving cryptocurrency price.

Manuscript form

The manuscript is satisfactory, however there are few minor problems. There are some spelling mistakes here and there, but the biggest problem I find in the structure of the first half of the thesis. The chapter 2.1 is not really a literature review, rather than introduction of the cryptocurrency concept and in this chapter there are several subtitles which are not formatted, causing this whole subchapter

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to be very confusing. The real literature review starts at chapter 2.2, which provides an overwhelming list of studies about factors driving price and their description seems rather chaotic. This however gets better as Viktoriia moves to more technical part of the thesis.

Summary and suggested questions for the discussion during the defense

Despite the fact that this thesis did not really confirm its hypetheses and I would like to see some upgrades to literature review as well as manuscript I recommend this thesis for for defense and suggest a grade of D. The result of Urkund analysis does not suggests plagiarism or significant text similarity with other sources.

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
Contribution *(max. 30 points)*	16
Methods *(max. 30 points)*	26
Literature *(max. 20 points)*	12
Manuscript Form *(max. 20 points)*	10
TOTAL POINTS *(max. 100 points)*	**64**
GRADE **(A – B – C – D – E – F)**	**D**

NAME OF THE REFEREE: Michal Král

DATE OF EVALUATION: 26.01.2021

Digitally signed 26.01.20201
Michal Král

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F