

IRP 7 : Individual Research Project

Topic	Involvement
Risk index for cryptos	<ul style="list-style-type: none">• IRP belongs to WP4 (Blockchain applications)• WP Leader: ASE (Bucharest)• One supervisor from secondments: ROY
Objectives	Deliverables
<p>The cryptocurrency market is exceptional: it is volatile, with a constantly shifting market structure. As cryptocurrencies evolve into a class of investable assets, the need for an index product arises. We investigate the dependencies of tail risk events within cryptocurrencies, which entails identifying coins with high or low joint tail event risks. Based on this, we intend to develop a risk index for cryptocurrencies to measure joint tail events, which will be an important tool for communicating risks to the public and regulators.</p>	<p>Develop a risk index to understand, measure and forecast upcoming risk flows from all cryptocurrency market participants and risk drivers. The possibility of pinpointing co-tress components in a dynamic network context makes the tool versatile and flexible for Digital Finance. The index will provide a thorough understanding of cryptocurrencies, and measure the dependencies and spillover effects in tail risk events within cryptocurrencies. It helps investors to manage risks and support decision-making.</p>

IRP 7

