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Digital Finance
Editor-in-Chief

Dear Editor,

I am pleased to submit "Sentiment Without Structure: Differential Market Responses to Infrastructure vs Regulatory Events in Cryptocurrency Markets" for consideration as an **original research article** at *Digital Finance*.

Scope and Contribution. This paper develops a 4-category event classification (infrastructure/regulatory $\times$ positive/negative) for cryptocurrency event studies, addressing the common conflation of heterogeneous event types in prior work. Using event-level block bootstrap inference appropriate for small samples, we find no statistically significant difference between infrastructure failures and regulatory enforcement in market response ($\Delta = +3.6$ pp, $p = 0.81$). The null finding is robust across permutation tests, few-cluster inference (Ibragimov-Müller), alternative windows, and market model specifications.

Relationship to Manuscript Under Review. I have a separate manuscript currently under review at *Digital Finance*: "Market Reaction Asymmetry in Cryptocurrency Markets" (SSRN: 10.2139/ssrn.5788082), which examines volatility dynamics using TARCH-X models. **The present submission is a complementary pilot study**: it focuses on return-level event study methodology rather than volatility modeling, and explicitly frames itself as exploratory given power constraints (8 vs 7 events). The two papers address distinct research questions using different methodologies and can be evaluated independently.

Pilot Study Framing. We are transparent that this is an exploratory analysis: the minimum detectable effect at 80% power with our sample is approximately 40 percentage points—far larger than any plausible true effect. We therefore frame the contribution as (1) methodological (4-category classification, proper cluster-robust inference), and (2) hypothesis-generating for future confirmatory work with larger samples or alternative identification strategies.

Highlights:

- Novel 4-category event taxonomy enabling cleaner valence-controlled comparisons
- Event-level block bootstrap addressing degrees-of-freedom inflation
- Comprehensive robustness: 8 alternative specifications, all confirming null
- Transparent power analysis and exploratory framing
- Open code and data for replication

This manuscript has not been published elsewhere and is not under consideration at another journal.

All authors have approved the manuscript and agree with its submission to *Digital Finance*.

Sincerely,

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