

# Asymmetries in Factors Influencing Non-Fungible Tokens (Nfts) In Times of Market Boom and Bust

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## Abstract

In this study based on 14 NFT projects between April 2019 – December 2022, we argue that influencing factors behave differently in periods of market boom and bust. We develop a nonlinear model based on wavelet coherences, where the dependent variable is the return of our NFT basket and the independent variables are the S&P500, the Crix cryptocurrency index and the Google search trends. In boom periods, the most relevant variable is the stock market index, while in the bust periods the cryptocurrency index. One implication of the study is that the alleged safe haven properties of NFTs are questionable.

**Keywords:** non-fungible tokens, partial wavelet coherence, multiple wavelet coherence, multiple endogenous structural breaks