BIG DATA & ALGORITHMIC FINANCE

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I am a PhD student in Finance at ESSEC Business School in Paris and I will soon be on the Job Market. My research interests include Climate Finance, theoretical and empirical Asset Pricing, Consumption-based asset pricing models and Machine Learning.
In 2022, I visited Warwick Business School under the supervision of Professor Philippe Mueller. In 2024, I am planning on visiting HEC Lausanne to work with Professor Jean-Paul Renne.

A GREENWASHING INDEX

Elise GOURIER and Hélène MATHURIN.

We construct a news-implied index of greenwashing. Our index reveals that greenwashing has become particularly prominent in the past five years. Its increase was driven by skepticism towards the financial sector, specifically ESG funds, ESG ratings and green bonds. We show that greenwashing impacts investors' behavior and estimated required premium for climate risk. Unexpected increases in the greenwashing index tend to be followed by decreases of flows into funds advertised as sustainable. They furthermore bias the estimation of stocks' beta on climate risk, distorting the estimated climate risk premium. When accounting for greenwashing, the climate risk premium becomes small and statistically insignificant.

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