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Academic Positions

2021 -	Postdoctoral Fellow in Finance, EPFL
2019 - 2021	Postdoctoral Fellow in Finance, University of Geneva

Education

2019	PhD in Finance, University of Warwick
2014	MSc in Finance, HEC Lausanne
2012	BSc in Business Administration, University of Geneva

Research Areas

Behavioral Finance, Sustainable Finance/ESG investment/Climate Finance, Financial Networks, Information Economics.

Working Papers

1. **"Discretionary Information in ESG Investing: A Text Analysis of Mutual Fund Prospectuses"**, (with A. Andrikogiannopoulou, P. Krueger, and F. Papakonstantinou), April 2022.

   Abstract: We construct novel measures of funds' environmental, social, and governance (ESG) commitment by applying text analysis to the discretionary investment-strategy descriptions in their prospectuses. We find that investors respond strongly to text-based ESG measures. Using discrepancies between text- and fundamentals-based ESG measures, we identify greenwashing funds. We find greenwashing is more prevalent in the last five years and among funds with lower past flows and weaker oversight. Furthermore, greenwashing funds attract similar flows as funds that truthfully reveal their ESG commitment, suggesting that investors cannot distinguish between them. On the other hand, greenwashers have inferior performance than genuinely green funds.

2. **"Why Do Firms Issue Green Bonds?"**, (with J. Daubanes and J.-C. Rochet), Dec. 2021.

   Abstract: Green bonds allow firms to commit to climate-friendly projects. Equity investors react positively to their announcement. Based on prior empirical studies, we suggest that green bond commitments help managers signal the profitability of their green projects and that they do so because they are sensitive to their rm's stock price. We present a signaling model in which firms undertake green projects not only because of carbon penalties but, additionally, because of managerial incentives, predicting that the role of the former is augmented by the latter. We test this prediction by exploiting both cross-industry differences in the stock-price sensitivity of managers' pay and in stock share turnover, and cross-country variations in effective carbon prices. Our results not only support the role that our theory ascribes to managerial incentives, but also show that this role mainly depends on carbon pricing. Green bonds are not substitutes to carbon pricing. On the contrary, the latter is essential to the effectiveness of the former.

3. **"Do Stock-Level Experienced Returns Affect Security Selection?"**, (with C. Antoniou), May. 2021.

   Abstract: We examine whether the managers of equity mutual funds exhibit reinforcement learning, investing more heavily in firms in which they previously experienced higher returns. The results reliably support this hypothesis. Experienced returns affect managers' re-balancing decisions in response to flows, and influence investments at the style level. Experienced returns do not affect the investments of index-tracking funds. When new managers come in a fund, their experiences with stocks in their old funds, influence the investments in these stocks by their new funds. Funds managed by managers who rely more on reinforcement learning, earn lower returns. Experienced returns, when aggregated across managers for each stock, predict lower stock returns. Overall, our evidence indicates that reinforcement learning affects the stock-specific return trades of portfolio managers, with important implications for fund performance and asset prices.

4. **"The Sustainability Footprint of Institutional Investors: ESG Driven Price Pressure and Performance"**, (with R. Gibson Brandon and P. Krueger), Jan. 2021.

   Abstract: We propose a novel way of measuring the equity portfolio-level environmental and social characteristics of a 13F institution (the "sustainability footprint") and examine the relation between sustainability footprints and risk-adjusted investment performance. The analysis shows that 13F institutions with better sustainability footprints outperform. The positive effect of sustainability footprints on the risk-adjusted performance of 13F institutions' equity portfolios is concentrated in the environmental dimension and in more recent periods. Further tests show that the outperformance is explained by growing investor preferences for sustainable investing over time and the resulting price pressure that institutions exert on stocks with good environmental scores.

5. **"Common Holdings and Mutual Fund Performance"**, Aug. 2019.

   Abstract: This paper studies the relationship between U.S. mutual funds' common holdings and fund performance. In a network where funds are connected through portfolio overlap, degree centrality of each fund represents the level of similarity with peers. The results show that holdings similarity leads to lower abnormal fund returns. Further tests suggest that information asymmetry is a potential explanation for this relationship. The negative association between holdings similarity and fund performance widens in volatile markets. In uncertain times, mutual funds move towards their benchmark due to asset management constraints. This creates negative price pressure on commonly held assets. A portfolio based on stocks owned by low vs. high degree centrality funds yields abnormal returns of 7% per year. This paper provides new evidence of the informational advantage hypothesis as a driver of fund performance. It also highlights negative externalities of asset management contracts.

Awards

2019	Swiss National Science Foundation Doc.Mobility Fellowship
2018	American Finance Association Doctoral Student Travel Grant
2016 - 2019	Warwick Business School Bursary

Teaching Experience (TA)

Spring 2022	MSc., Sustainable and Entrepreneurial Finance (EPFL-IMD-UNIL)
Fall 2021	MSc., Introduction to Finance (EPFL)
Spring 2017-18	BSc., Foundations of Financial Management (Warwick)
Fall 2017	MSc., Empirical Finance (Warwick)
Fall 2016	MSc., Quantitative Methods for Finance (Warwick)

Presentations

2021	AERE*, MEA*, University of Geneva, University of St-Gallen, EPFL, IAEE*, GRASFI*
2020	EAERE*, Workshop Sustainable Finance, FMA Annual Meeting , CESifo Area Conference on Energy and Climate Economics*, Geneva-Zurich Seminar on Sustainable Finance
2019	FMA Europe (Glasgow, Scotland), Bocconi Finance Brown Bag Seminar (Milan, Italy)
2018	Blackrock* (London), EEA/ESEM (Cologne, Germany), EFA* (Warsaw, Poland), Research in Behavioral Finance Conference (Amsterdam, Netherlands), University of Geneva Brown Bag Seminar, Swiss Economists Abroad Annual Meeting (Zürich, CH)
2017	French Finance Association Annual Meeting (Valence, France), Conference on Hedge Funds and Other Collective Investment Funds (Poster; Manchester, UK), Warwick Business School Seminar (2x), Swiss Economists Abroad Annual Meeting (Lugano, CH)

*: presented by co-author

Professional Activities

Referee: Management Science, Journal of Business Ethics, European Journal of Finance, B.E. Journal of Economic Analysis & Policy.

Co-organizer: Geneva Summit on Sustainable Finance 2020, 2021

Scientific Committee Member: Royal Economic Society Junior Symposium 2019.

Discussant: Geneva Summit on Sustainable Finance 2020; Workshop Sustainable Finance (Liechtenstein) 2020; FMA Europe (Glasgow, Scotland) 2019

Personal Information

Born: November 2, 1990. Citizenship: Swiss.