

Zheyuan Yang

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🔗 <https://yang-zheyuan.github.io>

Citizenship: Chinese

Education

London School of Economics and Political Science (LSE), UK

Ph.D. in Finance

2021 – 2025 (Expected)

MRes in Finance

2019 – 2021

University of Oxford, UK

MSc in Financial Economics

2018 - 2019

London School of Economics and Political Science (LSE), UK

BSc in Accounting and Finance

2015 - 2018

Research Interests

Empirical Corporate Finance, Digital Finance, Sustainable Finance

Job Market Paper

When Bank Data Security Fails

This paper examines the economic consequences of data security failures in the banking sector, focusing on the direct and spillover effects of bank data breaches. Leveraging a hand-collected novel dataset that identifies breaches at the bank-state level in the U.S., I find that data breaches not only reduce deposits at breached banks but also lead to a reallocation and a net drop in deposits within the local market. There are contrasting spillover effects on small and large non-breached banks. Specifically, following a data breach in a county, small non-breached banks in the same county experience deposit losses, while larger non-breached banks see an increase in deposits. Beyond the local market, I document negative within-bank, cross-state spillovers, with smaller banks being more vulnerable than larger ones. Further analysis reveals that depositor reactions are primarily driven by the demand for privacy and intensify as the scale of the breach increases.

Other Research Projects

Machine Readability and ESG Rating Divergence

Inconsistencies in data interpretation across rating agencies limit the comparability and reliability of Environmental, Social, and Governance (ESG) assessments, posing a barrier to sustainable investing. Regulators have proposed machine-readable formats to enhance transparency and comparability in sustainability-related disclosures. This paper exploits the SEC's iXBRL mandates, which embed structured data within narrative contexts, as an exogenous shock to improve the machine readability of corporate reports. I find that the adoption of iXBRL significantly reduces rating divergence in the S and G categories. This reduction is driven by (i) lower sentiment expressed by firms in corporate reports after the iXBRL adoption and (ii) mitigation of the “rater's effect,” where a rater's overall view biases category-specific assessments. The decreased ESG rating divergence increases investor demand for stocks with stronger ESG performance, promoting sustainable investing.

Common Ownership, Public Attention to Environmental Issues, and Firm ESG Performance, with Shaoyan Fu, Huiyun Li, and Qianying Liu

The American Accounting Association (AAA) Annual Meeting 2024

Public awareness of environmental issues, significantly amplified by digital platforms and online media in the digital age, plays a crucial role in shaping corporate sustainability. This paper examines how public attention to environmental issues moderates the relationship between common ownership and corporate Environmental, Social, and Governance (ESG) performance. Using data from Chinese A-share listed companies from 2011 to 2022, we find that common ownership is positively associated with ESG performance through enhanced information transmission and stronger supervisory governance. This relationship is further strengthened by the increasing public attention to environmental issues. From a policy perspective, the findings highlight the importance of fostering public awareness of environmental issues to promote sustainable development.

Pressure from ESG Ratings, with Xianda Liu, Yanhuan Tang and Jiaxing Tian

Data Breaches, Firm Data Security Investments, and Governance, with Xinchun Ma

Teaching

Course Designer and Moderator, LSE and University of London

FN3206 Derivatives & Risk Management (BSc Online Course), *Moderator* 2023 - 2025

FN3206 Derivatives & Risk Management (BSc Online Course), *Co-Designer* 2022 - 2023

Class Teacher, LSE

FM300 Corporate Finance, Investments and Financial Markets (BSc) 2021 - 2024

FM250 Finance (Summer School) 2022

FM212 Principles of Finance (BSc) 2020-2021

Teaching Assistant, LSE

FM447 Global Financial Systems (MSc) 2023-2024

FM441 Derivatives (MSc) 2022-2024

Published Case Study

Penghui Energy - Transition to Energy Storage in Support of Carbon Neutrality, with Huiyun Li, Qianying Liu, Mei Mei, Gansong Zhang, and Hongrui Zheng, *The Global Platform of China Cases, CEIBS*, 2023 (in Chinese)

Awards and Funding

LSE Ph.D. Scholarship 2019-2025

LSE Class Teacher Award 2023

Skills

Languages: Mandarin (Native), English (Fluent)

Programming: Python, Stata, Matlab, R

References

Dirk Jenter

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Daniel Paravisini

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