# Article information:

Quantile time–frequency price connectedness between green bond, green equity, sustainable investments and clean energy markets - ScienceDirect
<https://www.sciencedirect.com/science/article/abs/pii/S0959652622016948>

# Article summary:

1. The study examines the interconnectedness and directional spillovers among green bonds, green stocks, sustainable investments, and clean energy stock markets using a quantile frequency approach.

2. The results show that short-term dynamics are mainly responsible for the net transmission behavior of the network of study, while over time, variables may shift their role from a net-transmitter or a net-receiver and vice versa.

3. The study proposes a novel quantile frequency connectedness approach that combines the quantiles connectedness approach with the frequency connectedness approach to account for connectedness measures across time, frequencies, and quantiles.

# Article rating:

May be slightly imbalanced: The article presents the information in a generally reliable way, but there are minor points of consideration that could be explored further or claims that are not fully backed by appropriate evidence. Some perspectives may also be omitted, and you are encouraged to use the research topics section to explore the topic further.

# Article analysis:

The article titled "Quantile time–frequency price connectedness between green bond, green equity, sustainable investments and clean energy markets" provides an analysis of the interconnectedness between green bonds, green stocks, sustainability, and clean energy stock markets. The authors use a novel quantile frequency connectedness approach to estimate the magnitude of connectedness and directional spillovers between these markets under different market conditions and varying investment horizons.

The article highlights the growing interest in environmentally friendly investments among investors and policymakers. It notes that green bonds have emerged as a catalyst for financing eco-friendly projects since their introduction by the European Investment Bank in 2007. The authors also point out that renewable energy investments have recently increased significantly, and both green bonds and green stocks have emerged as key environmentally friendly financial instruments among investors.

While several studies have examined the relationship between the green bond market and conventional assets, this study focuses entirely on green and clean energy markets. The authors propose a novel quantile frequency connectedness approach that combines the quantiles connectedness approach with the frequency connectedness approach to account for connectedness measures across time, frequencies, and quantiles.

The empirical results reveal that short-term dynamics are mainly responsible for the net transmission behavior of the network of study. Additionally, they found that short-term TCI is higher at the lower end meaning that higher connectedness is associated with negative returns while long-term TCI is higher at the upper end indicating that long-term connectedness can be associated with common positive returns and hence with long-term growth.

Overall, this article provides valuable insights into the interconnectedness between green bonds, green stocks, sustainability, and clean energy stock markets. However, it should be noted that there may be potential biases in this study due to its focus on specific indices rather than individual securities or companies. Additionally, some counterarguments or alternative perspectives could have been explored further to provide a more comprehensive analysis of these markets' interconnectedness.

# Topics for further research:

* Interconnectedness between green bonds and conventional assets
* Environmental
* social
* and governance (ESG) investing
* Impact of government policies on green investments
* Clean energy investment trends and opportunities
* Risks and challenges associated with green investing
* Role of green bonds in financing sustainable projects

# Report location:

<https://www.fullpicture.app/item/2efbb13b1f68c96fd96d5ef5ab4b2244>