

Date of the event:

On Thursday 07th October 2010
From 01:00 PM to 2:00 PM

Location:

Luxembourg School of Finance
University of Luxembourg
4 Rue Albert Borschette
2nd Floor
Modigliani Miller Auditorium (E02-003)
L-1246 Luxembourg

Registrations:

- Free seminar (with lunch included)
- Registrations by email before October 4th, 2010
- At the following address : lsf-events@uni.lu

Information:

Ms Caroline Herfroy
Tel : +352 46 66 44 6335

<http://www.lsf.lu/eng/Research/Seminars-and-Workshops>



The LSF is pleased to invite you to the following lunch seminar:

*Optimal Portfolios under
the Tail Mean-Variance Criterion*

*By Prof. Iqbal Owadally
Cass Business School
London*



Thursday 07th October 2010
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Optimal Portfolios under the Tail Mean-Variance Criterion

By Iqbal Owadally

The **Luxembourg School of Finance**

Is pleased to invite you to the

LSF Seminar

We consider the tail mean-variance criterion for optimal portfolio selection. This is based on the tail conditional expectation (or expected shortfall) and tail variance of returns. Landsman [Insurance Mathematics and Economics; Journal of Computational and Applied Mathematics] shows that, when the underlying return distribution is multivariate elliptical, the criterion is a combination of linear, square root of quadratic, and quadratic forms. We provide an improved closed-form solution on the constrained minimization of this functional. This is useful not just in portfolio optimization but also in tomography and in the calculation of relative projections onto closed convex sets. We also characterize the optimal portfolio as an optimal mean-variance portfolio in the usual Markowitz sense.

