

February 8th, 2021

Zoom Meeting

2:00 P.M. - 3:00 P.M.

Prof. Xuedong He

(Chinese University of Hong Kong)

Portfolio selection under median and quantile maximization

Abstract: Although maximizing median and quantiles is intuitively appealing and has an axiomatic foundation, it is difficult to study the optimal portfolio strategy due to the discontinuity and time inconsistency in the objective function. We use the intra-personal equilibrium approach to study the problem. Interestingly, we find that the only viable outcome is from the median maximization, because for other quantiles either the equilibrium does not exist or there is no investment in the risky assets. The median maximization strategy gives a simple explanation to why wealthier people invest more percentage of their wealth in risky assets. This is a joint work with Zhaoli Jiang and Steven Kou.

Zoom link:

Topic: Math Finance Colloquium

Time: Feb 8, 2021 02:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://usc.zoom.us/j/93731957604?pwd=M0MvOVhLRmx2NU5HZEpY3ZOME5vdz09>

Meeting ID: 937 3195 7604

Passcode: 397017