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Traian A Pirvu* (tpirvu@math.mcmaster.ca), 1280 Main St W, Hamilton, Canada, and **Ivar Ekeland** and **Oumar Mbodji**. *Time Consistent Portfolio Management*.

Abstract. This paper considers the portfolio management problem for an investor with finite time horizon who is allowed to consume and take out life insurance. Natural assumptions, such as different discount rates for consumption and life insurance lead to time inconsistency. This situation can also arise when the investor is in fact a group, the members of which have different utilities and/or different discount rates. As a consequence, the optimal strategies are not implementable. We focus on hyperbolic discounting, which has received much attention lately, especially in the area of behavioural finance. We consider the resulting problem as a leader-follower game between successive selves, each of whom can commit for an infinitesimally small amount of time. We then define policies as subgame perfect equilibrium strategies. Policies are characterized by an integral equation which is shown to have a solution in the case of CRRA utilities. (Received July 31, 2013)