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Tao Pang and **Cagatay Karan*** (ckaran@ncsu.edu). *A Black Litterman Model With Conditional Value At Risk Optimization.*

The Black Litterman Model (BLM) has contributed to modern portfolio theory a new perspective where the investor views and market equilibrium expected excess returns are combined in a Bayesian manner to get the optimal portfolio. We use the Conditional Value at Risk (CVaR) instead of variance as the risk measure. In addition to that, elliptical uncertainty sets are used to model uncertainty of asset returns in order to capture the non-normal behavior of the asset returns. For constrained problem, deriving the optimal solution analytically is extremely difficult. Hence, we propose an efficient algorithm for the BLM type optimization problems under CVaR and we have established the convergence results. (Received September 09, 2016)