



**GDRR Program Opening Workshop  
August 5-9, 2019**

**SPEAKER TITLES/ABSTRACT**

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“Portfolio Optimization with Conditional Value-at-Risk”

We consider a portfolio optimization problem of the Black-Litterman type, in which the investor’s view can be incorporated under a Bayesian framework. We use the conditional value-at-risk (CVaR) as the risk measure and the multi-variate elliptical distributions, instead of the multi-variate normal distribution, to model the financial asset returns. We propose an approximation algorithm and establish the convergence results. Based on the approximation algorithm, we derive a closed-form solution of the portfolio optimization problems of the Black-Litterman type with CVaR.