

ABSTRACT

The theme: “Comparison analysis of portfolio methods”

Diploma work: 99 p., 29 fig., 15 tabl., 0 appendixes, 10 bibliographic references.

The object of the study – securities, portfolio.

The subject of the study – copula application for portfolio construction.

The purpose of the study - the subject of study analysis and the effectiveness of the copula-based portfolio optimization examination in compared with the classical method.

The methods of the study – stochastic and deterministic optimization methods, investment management methods.

The relevance of the study –portfolio management is the leading task of an investment management. The global financial crisis of 2007-2008. Demonstrated that classic portfolio optimization techniques are not adequate in today's volatile economy. Therefore there is a need to study alternative and more correct methods such as a copula – based portfolio methods.

The results of the study – It was constructed two portfolios that are optimal in terms of classical models and copula – based model. It was found out that the most effective in terms of return on the portfolio is a copula – based model.

Further improvements of the study – the most interesting area of further research include the study of alternative risk measure, extension of evaluation criteria of a model and aggregation of different copula families into hierarchical copula.

PORTFOLIO, FINANCIAL RISK, VAR, COPULA, HIERARHICAL COPULA, ARCHIMEDIAN COPULA