Bocconi

Università Commerciale Luigi Bocconi

Department of Decision Sciences

Convex Risk Measures Beyond Bounded Risks

Gregor Svindland
Mathematics Institute, University of Munich

Thursday, 3 December 2009
4:00pm Room N10 Piazza Sraffa 13 Milano

Abstract

We establish a one-to-one correspondence between law-invariant convex risk measures on the space of bounded risks and law-invariant convex risk measures on the space of integrable random variables. Moreover, we discuss difficulties related to the extension of risk measures from the space of bounded risks to larger spaces.
In particular, we compare several approaches to this extension problem.

Department of Decision Sciences

Via Röntgen 1 - 20136Milano

Tel. 02 5836.5632
Fax 02 5836.5630