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Michael Grabchak* (mgrabcha@uncc.edu), UNC Charlotte, Department of Mathematics and Statistics, 9201 University City Blvd, Charlotte, NC 28223. *Does value-at-risk encourage diversification when losses follow tempered stable or more general Lévy processes?*

We address the question of when portfolio selection based on Value-at-risk encourages diversification. Specifically, we give sufficient conditions for the case when losses follow a Lévy process. When the process has finite variation, these conditions are also necessary. We then specialize our results to the case when losses have tempered stable distributions. (Received July 17, 2014)