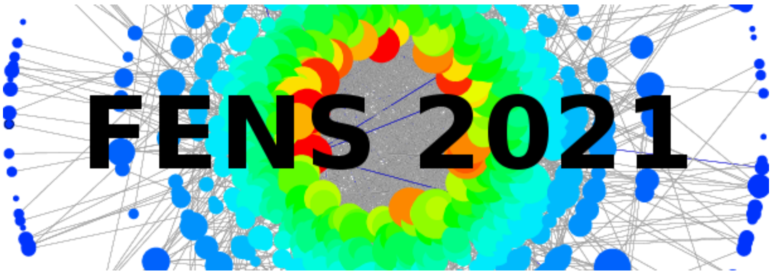

Contribution ID: **35** Type: **Contributed talk (20 min)**

Portfolio selection, shrinkage estimators and correlated samples

Saturday, 3 July 2021 12:00 (20 minutes)

The problem of estimating covariance matrix plays a fundamental role in portfolio selection. Recently a new estimator of large-dimensional covariance matrices has been proposed to reduce out-of-sample risk of large portfolios. The estimator is called non-linear shrinkage estimators. We derive an analytic formula for the non-linear shrinkage estimator of large dimensional covariance for correlated samples.

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Session Classification: S8