

Analele Universității București, Matematică  
Anul LVII(2008), pp. 139–146

## A portfolio rebalancing optimization model

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**Abstract** - We consider a branch and bound algorithm for calculating an optimal solution of the minimum cost rebalancing problem under concave transactional costs. As the measure of risk we will employ the absolute deviation of the rate of return of the portfolio rebalancing and solve linear programming subproblems.

**Key words and phrases** : portfolio optimization, concave transaction cost, rebalancing, branch and bound algorithm

**Mathematics Subject Classification** (2000) : 90C26, 90C30