Risk Parity Investing: A Black/Litterman Approach to Implementing Active Return Expectations

Program Description: Risk parity portfolios are typically built based on risk inputs ignoring return expectations. Many investment managers do feel a need to take into account explicit return estimates when building risk parity portfolios. We explain how this can be achieved a very elegant and structured manner by applying the famous Black/Litterman model.

Target Audience: portfolio managers, investment analysts, quantitative analysts, investment analysts, asset managers (both traditional and alternative), system developers

Materials: Participants will receive the presentation slides as a PDF file, spreadsheets containing example calculations and further readings in PDF format.

Webinar Delivery: Microsoft Teams

Price: 200 CHF

Information relating to **scheduling, course venues and pricing** for the public courses is available on www.andreassteiner.net/consulting

Program Details

- What is Risk Parity
    - Calculating Contributions to Volatility
    - Inverse Volatility as Robust Risk Parity
    - Properties of Risk Parity Portfolios
- The Black/Litterman Model
    - The original Black/Litterman algorithm
    - The core of Black/Litterman: Bayesian return estimation
    - The role of the benchmark portfolio
- Applying Black/Litterman to Risk Parity Investing: Active Return Expectation

The content of this program can be combined with content from other programs for customized **inhouse training** purposes. Please contact email@andreassteiner.net for details.