

Behavioral Portfolio Theory

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Streszczenie

The aim of the research is to expand Behavioral Portfolio Theory (BPT) with seasonal and fundamental anomalies when constructing optimal BPT portfolio as well as monitoring and rebalancing of the multiple mental account behavioral portfolios (BPT-MA). To achieve this we use MS-GARCH models for log returns of large and small cap companies from Warsaw Stock Exchange in order to verify the seasonal and fundamental anomalies. To verify the risk of the assets we also test BV/ME multiple volatility over time. The next step of the research is to make use of the verified anomalies in behavioral portfolio (BPT-MA) rebalancing.