



Minisymposium 14 - Stochastische Marktmodelle

The numeraire portfolio under transaction cost

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This is joint work with Joern Sass. The existence of the numeraire portfolio is studied for a discrete - time financial market under proportional transaction cost. For pricing derivative securities, expectation of the claim is carried through with respect to a martingale measure. The numeraire portfolio allows to replace this usual change of measure by a change of numeraire. For models with transaction cost, the concept of a martingale measure and thus the concept of a numeraire portfolio have to be modified. A well-known approach (for models without transaction cost) is maximization of the log-utility. The same approach turns out to work for the present models with transaction cost.