

Robust Portfolio Modeling for Scenarios-Based Project Appraisal

Juuso Liesiö, Pekka Mild and Ahti Salo

Systems Analysis Laboratory

Helsinki University of Technology

P.O. Box 1100, 02015 HUT, Finland

juuso.liesio@tkk.fi, pekka.mild@tkk.fi, ahti.salo@tkk.fi

Abstract: We introduce a project selection model which admits incomplete information about the decision maker's risk attitude, scenario probabilities and scenario-specific project performance levels. Based on the computation of all non-dominated portfolios, the model provides robust decision recommendations and helps determine which projects are sensitive to the arrival of new information.

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