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Optimal consumption and investment with bounded downside risk measures for logarithmic utility functions

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We investigate optimal consumption problems for a Black-Scholes market under uniform restrictions on Value-at-Risk and Expected Shortfall for logarithmic utility functions. We find the solutions in terms of a dynamic strategy in explicit form, which can be compared and interpreted. This paper continues our previous work, where we solved similar problems for power utility functions.

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MSC classes: 91B70, 93E20, 49K30

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