

Risk measures on Orlicz spaces

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Abstract

In this thesis we consider a one period market and we assume the set of all financial positions of a given financial institution to be an Orlicz space. We will introduce acceptance sets, defined as the sets of all acceptable financial positions, and eligible assets. We will study capital requirements, which are risk measures induced by an acceptance set and an eligible asset, and correspond to the minimum amount of capital that has to be invested in the eligible asset to make an unacceptable position become acceptable. In particular we will give a representation of capital requirements when the underlying acceptance set is assumed to be convex. Finally, we will discuss risk measures arising in the context of optimal risk allocation.