

Metaheuristics for the Portfolio Selection Problem

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Received November 2006; Revised May 2007; Accepted July 2007

Abstract—The Portfolio selection problem is a relevant problem arising in finance and economics. Some practical formulations of the problem include various kinds of nonlinear constraints and objectives and can be efficiently solved by approximate algorithms. Among the most effective approximate algorithms, are metaheuristic methods that have been proved to be very successful in many applications. This paper presents an overview of the literature on the application of metaheuristics to the portfolio selection problem, trying to provide a general descriptive scheme.

Keywords—Metaheuristics, Local search, Portfolio selection, Portfolio optimization

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