

Optimal Investment Strategies for Gold Spot Contracts using Genetic Algorithms

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Abstract

This work uses genetic algorithm optimization to design optimal investment strategies for gold spot contracts (OZ1D) trading at BM&F/BOVESPA. Evolutionary optimization is carried out by Monte Carlo simulation, based upon random scenarios generated with the Black-Scholes model, considering risk and return estimates obtained both from historical data from 2003 to 2013 and macroeconomic analysis.

Keywords: optimization, genetic algorithms, Black-Scholes model.

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