Introduction to Risk Parity and Budgeting

Errata

October 23, 2015

- **Page 101**: [...] the two solutions are (33.33%, 66.67%, 0%) and (20%, 40%, 40%) (and not (20%, 20%, 40%)) if the risk budgets are (50%, 50%, 0%).

- **Page 115**: [...] Using these figures, we deduce that $\phi = 3.44$ (and not $\phi = 0.58$).

- **Page 170, Example 25**: The cross-correlation between Asset 1 and Asset 4 is 30% and not 50%. In this case, results given in Table 3.5 are correct.

This error was found by Siew-Phang Ng (October 2015).