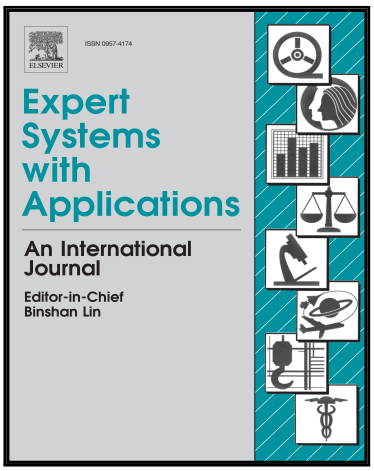

An adaptive portfolio trading system: A risk-return portfolio optimization using recurrent reinforcement learning with expected maximum drawdown

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Highlights

- A reinforcement learning trading algorithm with expected drawdown risk is proposed.
- The expected maximum drawdown is shown to improve portfolio signal generation.
- The effectiveness of the method is validated using different transaction costs.
- An adaptive portfolio rebalancing system with automated retraining is recommended.