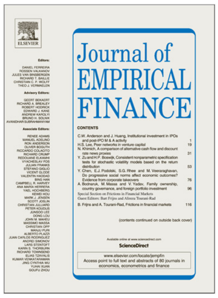

Portfolio optimisation under flexible dynamic dependence modelling

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***Highlights (for review)**

- New flexible dynamic copula model that accounts for higher order moments
- the correlation dynamic depends on a latent Markov chain and on exogenous information
- the hyperspherical representation of Pourahmadi and Wang (2015) is used
- marginal models follow a new GAS process that relies on the Skew Student–t
- the effectiveness of the model is illustrated through an example of asset allocation