

Table 2.1Relative risk premium $\hat{\pi}$ associated to the risk of gaining or losing ($\alpha\%$ of wealth)

RRA	$\alpha = 10\%$	$\alpha = 30\%$
$\gamma = 0.5$	0.3	2.3
$\gamma = 1$	0.5	4.6
$\gamma = 4$	2.0	16.0
$\gamma = 10$	4.4	24.4
$\gamma = 40$	8.4	28.7