

## **A Note on Markowitz Model**

**Stelios Bekiros**

*University of Torino, Italy*

**José Pedro Ramos-Requena**

*University of Almería, Spain*

**Marta Vidal**

*European University of Madrid, Spain*

**Javier Vidal-García\***

*Complutense University of Madrid, Spain*

**Abstract:** Markowitz's model can be very useful in practice. Portfolio managers and private investors can use it easily, having the necessary software for its correct application. Using a sample of daily mutual fund returns from the UK market for an interval covering from January 1<sup>st</sup>, 1990, to December 31, 2023, in our study, we show that the Markowitz model can provide portfolios that beat reference market portfolios (FTSE 100 and FTSE All-Share Index), obtaining higher returns with a lower risk. Neither the FTSE 100 nor the FTSE All-Share Index are not efficient portfolios, not reflecting the behaviour of the theoretical market portfolio. Therefore, the Markowitz model, as a tool for investment selection, provides portfolios with better performance than market benchmarks.

**Keywords:** Mutual Funds, Markowitz Model, Fund Performance, Portfolio Selection

**JEL Classification Number:** G11, G12

---

\* Corresponding author. Email: [javiervidal7@hotmail.com](mailto:javiervidal7@hotmail.com)  
All authors contributed equally to this work.