# Time-consistency for dynamic risk and performance measures

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A new definition of time-consistency for dynamic local and monotone measures (LM-measures) is proposed. The definition applies to both dynamic monetary risk measures [4] as well as dynamic measures of performance [2, 3]. Our definition is based on information update procedure, rather than on a benchmark set of financial positions, as was done in [1]. This allows for a more flexible approach to studying time consistency. Connection with definitions of time consistency existing in the literature are discussed, as well as some basic properties of updating procedures.

## References

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