

In the present work we study the stochastic dominance portfolio efficiency measures. The investor's risk attitude is given by the type of an utility function. If this information is unknown or a general investor is assumed, it is possible to use the stochastic dominance principle, in which the portfolio is only classified as efficient or inefficient. We build on the works of Post, Kuosmanen and Kopa, who formulated the criteria of portfolio efficiency for nonsatiate and risk averse investors. On the basis of these criteria, we define the second-order stochastic dominance (SSD) portfolio efficiency measures. We examine the properties of SSD inefficiency measures, which allow to compare SSD inefficient portfolios. We prove mutual relationships for the defined SSD inefficiency measures. Eventually, we test the SSD efficiency of a US market portfolio on real-world US Stock Exchange data.