The presented thesis focuses on two approaches to portfolio selection problem. The first one is based on mean-risk models which minimize risk for a given return or maximize return for a given value of risk. The second approach is the concept of stochastic dominance, closely related to prospect theory. The goal of this master thesis is to examine the relationship between portfolio efficiency sets as results when using both methods. To quantify risk, besides the basic risk measures such as variance, VaR or CVaR we analyze also spectral risk measures where investor’s subjective risk aversion is included. We will present conditions under which the spectral measures of risk are consistent with the second order stochastic dominance (SSD). Kopa-Post test, as one of the several SSD efficiency tests, will be executed on real US Stock Market data and SSD efficient portfolios will be compared to efficient portfolios obtained as results of mean-risk model minimizing CVaR at different confidence levels.