

ABSTRACT

Mohamad Zahid. 2014, *THESIS*. Title: "*Determining the Optimal Portfolio Treynor-Black Model With The Portfolio Performance Evaluation Methods Jensen, Sharpe, Treynor, Sortino, Information Ratio, T2 and M2*" (Case Study In Stock JII Period June 2010 to May 2014)

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The problem often faced by investors is the uncertainty of returns and risks that would be obtained from the investment. To minimize risk and maximize returns, investors need to form a portfolio. There are several methods of portfolios among other Single-Index, Markowitz, and Treynor-Black. The purpose of this study was to determine the application of the method Treynor-Black model in forming the optimal portfolio and to determine the performance of a portfolio of Treynor-Black model which has been formed.

This study is a quantitative descriptive research, using a model case study. The population in this study is JII stocks to sample as many as 13 stocks were obtained by purposive sampling method. Analysis of the data used is to describe methods of Treynor-Black model in forming an optimal portfolio and performance evaluation by the method of Jensen, Sharpe, Treynor, Sortino, Information Ratio, T2 and M2 in the portfolio Treynor-Black.

The analysis showed that 1) the portfolio method Treynor-Black model formed an optimal portfolio consisting of nine stocks JII, namely UNVR, KLBF, TLKM, AALI, LSIP, ASII, LKPR, ASRI, and INTP to generate a return value of 2.85 % and 0.23% variance. Value generated better returns than the market return and portfolio return Single-Index. 2) From the results of the performance evaluation method of Jensen, Sharpe, Treynor, Sortino, Information Ratio, T2 and M2, portfolio Treynor-Black showed a good performance because the value of the overall evaluation produces a positive value. Evaluation of the portfolio value Treynor-Black model is better than the value of the portfolio evaluation Single-Index. Portfolio method Treynor-Black model can establish the optimal portfolio with good performance.