ABSTRACT

Indah Fauziyah Ismi. 2014. Thesis. Title: "The Investment Risk Minimization Through Diversification Markowitz Model In Jakarta Islamic Index and the FTSE Bursa Malaysia Hijrah Shariah Index."

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Keywords : Diversification, Risk Minimization, Markowitz Model and Optimal Portfolio.

This study was conducted to confirm whether diversification is proven to minimize the risk of investing in stocks Jakarta Islamic Index and the FTSE Bursa Malaysia Hijrah Shariah Index. This study focused on diversification Markowitz model.

The data obtained by purposive sampling method with criterion (1) stocks are always recorded in the JII and FBMHI the period December 2012 - November 2013, (2) stocks that meet the data completeness period December 2012 - November 2013.

The results showed that diversification is able to minimize investment risk. This is indicated by the formation of a combination of stock portfolios and AALI BKSL able to reduce the average risk of the individual largest to 64.0% at the Jakarta Islamic Index and the formation of MMC stock portfolio and MBSB combination is able to reduce the average risk of the individual largest to 91.6% the FTSE Bursa Malaysia Hijrah Shariah Index.