

ABSTRACT

This study aims to perform optimal portfolio selection of sharia stocks listed on Jakarta Islamic Index (JII). Research data is monthly closing price for each stock during the period of 2013 – 2017. The research sample is determined by purposive sampling method, which is 15 stocks consistently listed in JII from population of 47 stocks which are evaluated in that period. The analysis method used is optimal portfolio selection with Markowitz model and single index model. The results showed that the optimal portfolio of both models gave expected return and risk (standard deviation) which tend to be the same. The optimal portfolio of both models also perform well compared to the market, which is shown by relatively high Sharpe ratio, Treynor ratio, and Jensen ratio.

Keywords: expected return, standard deviation, Markowitz model, single index model, portfolio performance evaluation

