

ABSTRACT

This research analyzes equity funds that are listed in Bapepam – LK and actively managed before 2009 until the end of 2011. Problems in this research can be concluded into question of how to analyze equity funds performance based on risk management method and question of is there any correlation between asset under management and return over listed equity funds in Bapepam – LK.

Equity funds analysis based on risk management method can be done by calculating the Sharpe, risk and snail trail ratio, then combining those three ratios based on prorated basis to get the risk management ratio. Fund size effect on performance can be examined by using regression analysis in SPSS statistic tool.

Analysis in this research describes equity funds that produce satisfying excess return, face the market risk well, use excellent investment strategy are good performing equity funds with high risk management ratio. The analysis also discloses that there is significant relationship between asset under management and return over the sample equity funds.

Conclusions from this research analysis are risk management method can be used as a precious analysis tool in evaluating and ranking equity funds performance, and finding of fund size effect on performance can be used as a helpful understanding in making better investment decision.

Keywords: equity funds performance, fund size effect