

ABSTRACT

The development of the capital market as an investment tool is the main attraction for investors to invest funds in the stock. However, to be able to invest directly, particularly in investment bonds and stocks, there are some constraints faced by investors. These constraints usually are lack of knowledge, information, and time and money will that would limit the ability to diversify. One alternative financial instrument that can be the solution of these constraints is a mutual fund. Equity fund is one type of mutual fund, which is still believed to be the most profitable. During its development, were adopted sharia principles in mutual funds that are intended to provide more choice to investors who want to invest with Islamic principles as recommended in Islam.

Therefore, the difference between the asset selection forming equity fund portfolio of conventional and Islamic allow for differences in the performance of a portfolio of mutual funds. Fund performance was measured through of Sharpe, Treynor, and Jensen index method. The results using Sharpe and Treynor methods that performance of conventional equity fund and Syariah is positive, it indicates a conventional equity fund and sharia has performed above a risk-free investment performance (in this study SBI and SBIS). By using Jensen index method, there is only one mutual fund that is on sharia which has a negative performance. It shows that the investment manager have a poor performance.

Key words: *Equity fund, conventional, syariah, Sharpe, Treynor, Jensen*