

## ***ABSTRACT***

Indonesia's joint-stock trading has increased from 2015 to 2019 in the number of listed registered, the volume and the value of shares. LQ45 index moves volatile with an average return of 0.0164%, the highest at 6.1944% and the lowest - 5.1730%. The conditions of the companies compiling the LQ45 Index also have varying values and movements. This research offers a complex solution to stock investment activities by designing an optimal portfolio on the LQ45 Index for the period of 2015-2019.

The research objective is to determine the optimal portfolio results grouped based on the ranking ratios of the issuer's financial statements. Also to know the comparison of return and portfolio risk. Comparing the results of passive and active management portfolios, as well as comparison of portfolio performance with considerations of return, total risk, systematic risk, risk-free rate and markets.

The optimal portfolio is formed by considering stock that have in grouped using the ROE ratio and Tobin's Q, duration, return, systematic risk, unsystematic risk, risk-free assets that are applied and has become passive management portfolios from 2015-2019, active per-year and active per-semester. The Portfolio performance is measured by the Sharpe's Treynor's, and Jensen's ratio,

The research have resulted various values, there are compositions that get the average value consider as above and below rate. The good company condition needs to be considered carefully because it is not a guarantee of being the right choice. The passive management portfolio shows the highest value, both active management portfolios per-year and the last active management portfolios per-semester. The optimal portfolio of passive management obtained the composition of Medium-ROE, the optimal portfolio active per-year and per-semester are obtained the Medium-Tobin's Q portfolio. The order of portfolio performance evaluation from the best is the ratio Sharpe's ratio, Treynor's ratio and lastly Jensen's ratio.

The research results are expected to serve as guidelines in designing a stock portfolio. Consider carefully stock price movements, company conditions, timing and duration of investment with the level of return, risk and portfolio performance. This research can be used as a reference for evaluating the company's position on stock and market investment on the LQ45 Index.

**Keywords:** Optimal portfolio, management portfolio, performance portfolio, ROE, Tobin's Q