ABSTRACT

The development of Investment in Indonesia is getting higher by time. Especially in the past two years where this country has a positive economic condition to around 6,5% in 2011 which is in a global economic crisis condition. This condition supported by the growth of the number of investments that would likely to invest their funds. But, in order to invest there is a constraint to be faced especially for small investors and the one who has less time and skill. A mutual fund is one of the alternative financial instruments in the capital market. Mutual Fund is designed as a tool to gather funds from the public that have the capital, will to invest, but only have limited time and knowledge to calculate the risk and return of investment and also give the chance for investors with limited money to make the investment.

In the development of mutual funds in Indonesia there are three kinds (type) of mutual fund that has a significant growth based on its Net Asset Value which are: Equity Fund, Balance Fund (Asset Allocation), and Fixed Income Fund (Debt). The difference of those three types is where the assets are allocated to invest.

The type of this research is descriptive quantitative business research, where it is addressed research objectives through empirical assessment that involve numerical measurement and analysis approach. Data used for this research is 2006-2011 period. Methods used for measuring performances in this research is *Treynor Ratio, Sharpe Ratio, Information Ratio, Jensen Index,* and *Sortino Ratio.*

Keywords: Investment, Mutual Fund, *Treynor Ratio, Sharpe Ratio, Information Ratio, Jensen Index,* and *Sortino Ratio*