

ABSTRACT

In measuring portfolio performance that must be considered is the value of return and risk. In the calculation of portfolio performance there is usually a difference in the value of errors or errors in the performance. Therefore, as an investment manager expects a high return value with the least risk value possible. In the previous research, portfolio performance measurement tool to calculate the return is using the sharpe ratio method, where the sharpe ratio is the calculation of income return divided by the standard deviation. In this final project is to measure portfolio performance by predicting return value with estimation of Sharpe Square Ratio (SSR), with Sharpe Square Ratio (SSR) method expected the estimated value at theta (maximum sharpe ratio) can be better with estimated sample data. This measurement uses weekly historical stock data for 4 years. From the data that will be used is stock return data for processing data up to the measurement Sharpe Square Ratio (SSR). Based on the results of the analysis, the Sharpe Square Ratio (SSR) method uses almost 1st and 2nd order which obtains estimation results either by knowing the difference value between theta original (TA) and theta sample data (TS).

Keyword : Sharpe ratio, Sharpe Square Ratio (SSR), Return.