

ABSTRACT

This research is based on the phenomenon of new investment instrument called Cryptocurrency Bitcoin who became popular in recent years. Many types of investment instrument and available made it difficult for investors to choose which is the best one. Based on that phenomenon, this research tried to search which is the best investment instrument from three instrument which is Bitcoin, stocks, and gold.

The research method used is quantitative method with the type of research is comparative descriptive. In this study, the author uses Sharpe, Treynor and Jensen index approach to evaluating the performance. This study tried to do a comparison from the index using the data of the investment instrument in the period January 2014 to August 2017. The study sample was taken from price result from every investment instrument during the period of study.

The result of this study showed that Bitcoin is the best instrument because return with Sharpe, Treynor, and Jensen value more better than the other two instruments

Keywords: investing, stocks, gold, Sharpe, Treynor, Jensen