

ABSTRACT

In early March 2020, Indonesian President Joko Widodo officially announced that for the first time there were Indonesian citizens infected with the Covid-19 virus. As a result of this pandemic, there has been a significant and unnatural decline in global indexes, especially the prices of issuers that have gone public in Indonesia. One of the indexes on the Indonesia Stock Exchange (IDX) affected by the Covid-19 pandemic is the LQ45 Index. There was a decline when entering early 2020 until the close of trading on December 30, 2020, the LQ45 index was corrected by 8.51 percent year on year. Until entering 2021 until the end of July 2021, the LQ45 index still has to be corrected. However, much better than the previous year in the same period. The LQ45 index stocks which are currently unstable require investors to continue to carry out investment analysis. To overcome this problem, investors must form a portfolio

This research uses descriptive quantitative research methods. This is because this study aims to determine and describe the results of portfolio formation on LQ45 Index stocks in the February 2020-July 2021 period through the process of collecting stock closing price data during the observation period.

The research method used is the Single Index Model to analyze the data in the formation of an optimal portfolio. The sample selection technique used purposive sampling so that the research sample consisted of 40 stocks that were consistently included in the LQ45 index for the February 2020-July 2021 period.

The results show that there are 6 stocks that make up the optimal portfolio using the Single Index Model along with the proportion of funds for each share, namely TBIG by 28%, ANTM by 22%, TOWR by 15%, ERAA by 16%, ITMG by 7% and INCO by 13. %. With an expected return portfolio value of 6.31% per month, it is greater than the market return with portfolio risk borne by investors of 5.72% per month.

The results of this study are expected to be used as additional insights and comparisons in future similar studies and can be used by investors as a reference before investing in shares in the capital market.

Keywords: Optimal Portfolio, LQ45 Index and Single Index Model