

ABSTRAKSI

For over more than a decade, the mutual funds industry in Indonesia showed its dynamic development. Thanks to the advantage of small-amount investment characteristic, this investment product had reached broader scope of society as its investors, compared to the conventional type of investment tools such as equities and bonds.

As a stock-based instrument, equity funds offers the highest expected return., complied with greater risk for the bearer. This type of investment is a great deal for aggressive investors that is looking for highest benefit from the market.

This study uses Data Envelopment Analysis (DEA) and the Malmquist Index method to measure the relative efficiency of equity funds in Indonesia, as well as the productivity change for the 2004-2006 period. The result shows that for the period observed there has been an increase of the productivity change for equity funds in Indonesia.

Keywords: Equity Funds, Efficiency, Data Envelopment Analysis (DEA), Malmquist Index