

# Comparison of volatility and performance of shares in Indonesia, Malaysia, China and America (Study on the content, FBMS, DJICHKU and DJIMI)

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## Abstract

Starting from the trade war between the United States and China in 2018-2019 shows the challenges of a global economic slowdown which is characteristic of the domestic economy, namely the performance of the capital market and the volatility of stock prices, causing the capital development market to experience a decline from 2015-2019 which has an impact on the Indonesian capital market. Malaysia, China and America. The purpose of this study is to analyze the results of the volatility difference test and the performance of Islamic stocks in Indonesia (ISSI), Malaysia (FBMS), China (DJICHKU) and America (DJIMI) and to see whether Indonesia's volatility is lower than the three countries and the performance of the Indonesian stock exchange. better than the other three countries. This type of research is comparative descriptive. The sampling technique used saturated sampling, namely all Islamic stocks that are members of the four countries. This study uses the ARCH/GARCH model to estimate volatility and calculate performance using the Sharpe, Treynor and Jensen methods using re-measurement different test tools. The results show that the volatility of Indonesian stock prices (ISSI) is not lower when compared to the three countries because Indonesia's volatility is at the second level and for the performance of Indonesian Islamic stocks (ISSI) has a better performance when measured by Jensen. method, if using the American treynor method. have a better performance than Indonesia, Malaysia and China.

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## Introduction

Investment is a commitment to invest some funds with the aim of obtaining benefits in the future (Tandelilin, 2010). Before deciding to invest, investors generally consider all the possibilities that may occur in the future. Volatility is one of the factors that investors often consider before investing because volatility greatly affects the amount of capital gain or dividends that will be obtained. Market volatility occurs as a result of the entry of new information into the market or stock exchange, as a result market participants re-evaluate the assets they trade. In an efficient market, the price level will adjust quickly so that the price formed reflects this new information (Anton, 2006).

In determining the best stock investment, investors should understand the volatility and performance of world stocks considering that the volatility of world stock prices affects the movement of Indonesian stocks. In addition, investors are required to understand stock performance so that with minimal risk, investors can get optimal returns.

Research on stock performance analysis was first put forward by Fried, Brown, Herma, and Vickers in their writing 'A Study of Mutual Found' in 1962 (Redman, Gullet, & Manakyan, 2000). Several years later Treynor (1965), Sharpe (1966), and Jensen (1968) separately introduced a model for measuring stock performance. Since then, the development of models to measure stock performance has been widely carried out and has resulted in more than 100 alternative models, especially risk-adjusted performance measurement models (Wiesinger, 2010).

This study aims to compare the volatility and performance of Islamic stocks in several countries, namely Indonesia (ISSI), Malaysia (FBM Emas Syariah), China (DJICHKU) and the US (DJIMI). The four Islamic stock markets have almost the same criteria, namely that they do not violate sharia principles and do not conflict with Islamic religious rules (Saqib, Zafar, Khan, Roberts, & Muenzafar, 2015). The stock performance that will be observed in this study is the movement of stock returns and risk.

According to (Santoso, 2019) global economic conditions that have not improved can threaten the national economy. This indicates that challenges from the global economic slowdown are still coloring the domestic economy and of course the performance of the capital market and stock volatility. The development of the capital market has decreased due to the trade war between the US and China which has affected the development of the capital markets in Indonesia, Malaysia, China and the United States. According to Hendarsah (2019) from the domestic side, Indonesia's economic indicators are still maintained. In the midst of global economic turmoil, economic growth can still be maintained at the position of 5.17 percent in 2018, in 2019 it should be close to 5.5% percent, with various efforts from the government and Bank Indonesia so that compared to 2018, volatility is better.

China and the US are the countries with the largest economies in the world. The trade war between the US and China greatly impacts the economy and the behavior of capital market investors in other countries such as Indonesia and Malaysia (Teimouri & Raeissadat, 2019). Meanwhile, Malaysia is one of the countries in Asia which has become the main destination for companies from China to move due to the trade war so that investment in Malaysia has increased sharply compared to the previous year. This motivates global companies to be increasingly attracted to Malaysia because it has a stable business climate (Mangkuto, 2019). However, Malaysia's growth prospects continue to face downside risks with the potential for increased trade tensions and the existing business environment (Mara, 2019). As a result of the trade war, the US index fell 617.38 points or 2.38% at the end of trading. It did not stop there, the Chinese index immediately fell 1.1% at the opening of trading (Roeslani, 2019).

One of the factors causing investor optimism to decline is the trade war between the United States and China, which is feared to affect the national economy, the lack of an easing of the trade war will impact on the decline in company performance. Thus, the capital market needs to anticipate the escalation of the trade war between the United States and China (Santoso, 2019).

## Literature Review and Hypotheses Development

### Sharia Capital Market Investment

Investment can be defined as a commitment to invest a certain amount of funds at present with the aim of obtaining future profits. Investment is defined as a commitment to sacrifice present consumption in order to increase future consumption. Investment is highly recommended for every Muslim (Huda & Nasution, 2008). This is explained in the Al-Qur'an chapter Al-Hasyr verse 18 as follows:

يٰۤاَيُّهَا الَّذِيْنَ ءَامَنُوْا اتَّقُوا اللّٰهَ وَتَنْظُرُوْا نَفْسَكُمْ مَّا قَدَّمْتُمْ لِغَدٍ وَاتَّقُوا اللّٰهَ

اِنَّ اللّٰهَ خَبِيْرٌۢ بِمَا تَعْمَلُوْنَ

*It means: "O you who believe, fear Allah and let each one pay attention to what he has done for the next (afterlife); and fear Allah, Allah knows best what you are doing" (Surah Al Hasyr: 18).*

According to Zubir (2011) the investment model is divided into two, namely Anglo Saxon and Continental. The Anglo Saxon model is also known as the market based system, shareholder value system, principal-agent model or financial model. Anglo Saxon is considered to be the dominant and superior theory of the United States and Britain. The premise is that the market

(especially the capital market), managerial labor and corporate control provide the most effective constraints on managerial policy. The Anglo model is adopted by developing countries such as Indonesia, Malaysia and China.

### Criteria for determination of Indonesian sharia shares

Indonesia has business criteria that do not conflict with Islamic law, one of which is gambling and services that are harmful. Taufik Hidayat (2011) said that the income approach and the capital structure approach owned by the company are characteristics of Islamic stocks.

### Criteria for determining sharia shares in Malaysia

Malaysia has a criterion, namely if its operations are not based on usury. To determine the tolerance for mixing of allowed shares to income and profit before tax, a company SAC determines several comparisons based on *ijtihad*. The 5% limit in Islamic stocks is used from various business activities that are expressly prohibited by sharia, such as the 10% interest limit.

### Determination of criteria for sharia shares in China

The universal index in China is defined as all stocks listed in Hong Kong, including the Dow Jones Islamic market, the Hong Kongindex and the Dow Jones Islamic market, the China Offshore Index. To be eligible for the index a stock must have an average daily trading value of at least HKD 5 million over the past 12 months and pass the sharia compliance screen described in the constituent selection.

### Determination of criteria for sharia shares in America

Islamic Financial Institution (IFI) prohibits companies with income from sources that are not pure and cannot exceed 5% of revenue and are not in accordance with sharia principles such as alcohol, tobacco (tobacco), pork related products (pork related products), banking, insurance (banking, insurance, etc.), weapons and defense, entertainment (hotels, casinos/gambling, cinemas, pornography, music and others).

### Stock Price Volatility

Share price can refer to the current price at which the shares are traded on the market. Any company that is publicly traded when its shares are issued and is given an assignment price for the share value which ideally reflects the value of the company itself (Best, 1998).

### Types of stock price indices

#### a. Indonesian Sharia Stock Index (ISSI)

According to the Financial Services Authority (OJK), the Indonesian Sharia Stock Index (ISSI), which was launched on May 12, 2011, is a composite index of Islamic stocks listed on the IDX. The formula for calculating the ISSI stock price index is as listed below:

$$IA = \frac{\sum P_n}{\sum P_o} \times 100\% \text{ISSI} \dots\dots\dots (2.1)$$

$$= \frac{\text{Hargayangdihitungangaindeksnya}}{\text{Hargapadatahundasa}} \times 100\% \dots\dots\dots (2.2)$$

#### b. Bursa Malaysia Gold Syariah (FBMS)

FBMS (FTSE Bursa Malaysia EMAS Syariah) is an index consisting of the sharia-compliant constituents of FBMEMAS that meet the screening requirements of the Sharia Advisory Board (SAC). The FBMS index formula is as follows:

$$FBMS = \frac{\text{Market Capitalization of All Listed Company}}{\text{Base Market Capitalization}} \times 100\% \dots\dots\dots (2.3)$$

c. Dow Jones Islamic Market China (DJICHKU)

The China/Hong Kong Titans 30 Index is designed to measure the 30 largest companies whose main operations are in mainland China and Hong Kong but trade on the Hong Kong Stock Exchange. According to Kafou and Chakir (2017) the methodology of Mathematics Index Level of the stock index at time "t" can be written as follows:

$$DJICHKU = \frac{\sum QnXPn}{Divisor} \dots\dots\dots (2.4)$$

d. Dow Jones Islamic Market Index (DJIMI)

The Dow Jones Islamic Market Index (DJIM) was launched in 1999 in Bahrain. DJIM has an independent Sharia (Islamic law) Supervisory Board. The DJIM measures the global performance of sharia-compliant investable equities and is consistent with the Dow Jones Indexes Methodology

### Types of Investment Risk

Villadsen, Vilbert, Harris and Kolbe (2017) state that investment risk is related to the variability of returns from investments in financial assets. Sources of risk can affect the stock price in the capital market and the total risk of an investment can be broken down into subcategories. First, business risk, namely the risk of the company's assets which are entirely financed with equity, which represents the total variability in returns generated by the company's assets. Second is financial risk, Third is diversifiable risk, namely risk that can be reduced by adding portfolios to various assets and Fourth is systematic risk (market risk) is part of the total risk that cannot be eliminated by diversification. The higher the systematic risk the higher the cost of capital.

### Types of Volatility

There are several types of volatility, namely historical volatility, implied volatility and realized/actual volatility. Historical volatility is a series of stock price volatility where one looks back at the historical path of a particular share price whereas implied volatility is the volatility shown at the underlying asset price market price according to a certain model that estimates the volatility of the underlying asset at a time (Jansen, 1967). The realized/actual volatility is historical volatility to calculate the historical volatility of the last 3 months.

### Market Performance Measurement

Husnan (2003) states that the assessment of portfolio performance needs to use relevant variables such as the level of profit and risk. The verse on which the performance appraisal is based is as follows. QS. At-Taubah: 105, namely:

وَقُلِ اعْمَلُوا فَسَيَرَى اللَّهُ عَمَلَكُمْ وَرَسُولُهُ وَالْمُؤْمِنُونَ وَسَتُرَدُّونَ إِلَى  
عَلِيمِ الْغَيْبِ وَالشَّهَادَةِ فَيُنبِّئُكُمْ بِمَا كُنْتُمْ تَعْمَلُونَ ﴿١٠٥﴾

*Meaning: "And Say: work you, then Allah and His Messenger and the believers will see your work, and you will be returned to (Allah) Who Knows the unseen and the real, and He will tell you what is you have done ". (Surah At-taubah: 105).*

### Research Methods

The type of research used is comparative descriptive research to explain something by describing and comparing the causal relationship of volatility and the performance of the ISSI, FBMS, DJICHKU and DJIMI indexes in 2015-2019. The sampling technique in this study used saturated sampling, namely the sampling technique when all members of the population were used as samples (Sugiyono, 2016). The sample of this research is all Islamic stocks that are incorporated in (ISSI) on the Indonesia Stock Exchange (BEI), totaling 429 companies, FBM Emas Shariah Index

totaling 696 companies, DJICHKU on the Hong Kong Stock Exchange totaling 30 companies and DJIMI totaling 491 companies.

The data in this study is secondary data obtained from various sources such as journal articles, books, and websites. This study uses time series data in the form of daily and sustainability reports published by the company from 2015 to 2019. Data collection techniques used in the study this is documentation. In this case the researcher uses monthly/daily historical price data from the four countries.

The method of data analysis in this study consists of three parts, namely descriptive analysis, volatility analysis and analysis of stock performance. The volatility of Islamic stock prices in this study is analyzed using the GARCH model (1,1). because it is in line with the arguments of Hansen and Lunde (2005) GARCH (1,1) is a model that has good performance and for the variable stock performance of each country using 3 measurement methods namely Sharpe, Treynor and Jensen.

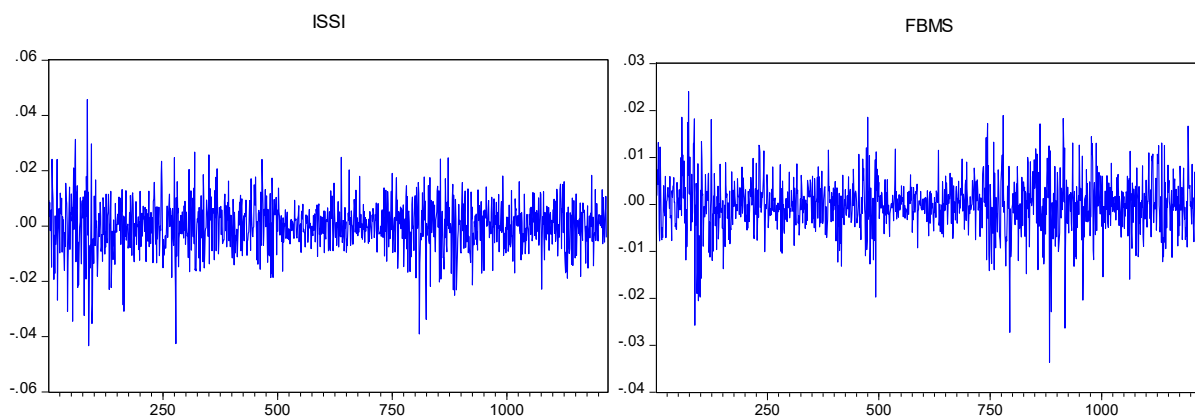
## Results and Discussion

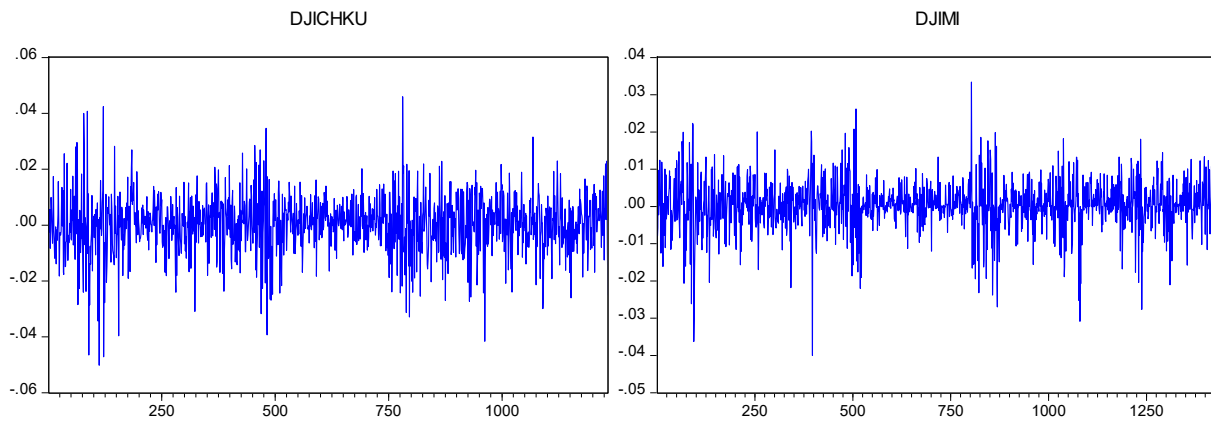
Descriptive analysis of stock returns is used to analyze the characteristics of stock returns of ISSI, FBMS, DJICHKU and DJIMI. The description of stock price conditions in Indonesia, Malaysia, China and America is shown in the following table:

	ISSI	FBMS	DJICHKU	DJIMI
<i>Mean</i>	0.000142	-1.42E-05	0.000282	0.000309
<i>Median</i>	0.000467	9.80E-05	0.000739	0.000224
<i>Maximum</i>	0.045789	0.024039	0.045979	0.033438
<i>Minimum</i>	-0.043327	-0.033654	-0.050157	-0.040008
<i>Std. Dev.</i>	0.009010	0.005869	0.010606	0.006836
<i>Skewness</i>	-0.372244	-0.360346	-0.335731	-0.583782
<i>Kurtosis</i>	5.372830	5.725188	5.200383	6.695495
<i>Jarque-Bera</i>	313.6101	405.5794	271.9045	890.5540
<i>Probability</i>	0.000000	0.000000	0.000000	0.000000
<i>Sum</i>	0.173186	-0.017359	0.348280	0.439915
<i>Sum Sq. Dev.</i>	0.098708	0.042154	0.138583	0.066449
<i>Observations</i>	1217	1225	1233	1423

The results show data on stock price movements in Indonesia, Malaysia, China and America for the last five years, from 2015 to 2019. Share prices on the DJIMI stock market index show their ability to provide high returns. This is indicated by the value of the highest standard deviation with a value of 0.010606. Meanwhile, FBMS shows the lowest standard deviation of 0.005869 which indicates that FBMS is only able to provide the smallest return when compared to the other four stock markets.

In general, the data used in GARCH must be stationary or show no trend. Graph identification of the development of stock returns on the ISSI, FBMS, DJICHKU and DJIMI stocks is shown in the following figure:





The picture above can explain during the research period, namely during 2015-2019 stock returns of ISSI, FBMS, DJICHKU and DJIMI have data distribution around the middle value, the variance (variance) of stock price data is also not constant so it can be concluded that the stock return data is stationary towards mean and variance. This is due to various factors including trade wars, economic downturn, rising debt, weakening global growth, low interest rates, low world oil prices and various other issues. After knowing the stock price trend of each country, it is necessary to detect the stationarity of the data in order to know the actual conditions.

This study used the Augmented Dickey Fuller (ADF) unit root test as a data stationarity test. The results of the Augmented Dickey Fuller (ADF) unit root test are shown as follows:

#### Uji Akar Unit Augmented Dickey Fuller (ADF)

Indek Saham	Statistik ADF	Prob*	Nilai Kritis		
			1%	5%	10%
ISSI	-34.48875	0.0000	-3.435514	-2.863708	-2.567974
FBMS	-32.02616	0.0000	-3.435479	-2.863693	-2.5679
DJICHKU	-34.66462	0.0000	-3.435445	-2.863678	-2.567958
DJIMI	-33.58685	0.0000	-3.434740	-2.863366	-2.567791

The Augmented Dickey Fuller (ADF) unit root test results above show that the ISSI, FBMS, DJICHKU and DJIMI returns stock does not have a unit root so it can be concluded that the data is stationary. This is indicated by the t value or ADF statistics of each stock market whose value is greater than the critical value at alpha 1%, 5% and 10%. In addition, the probability value of each stock market also has a value smaller than 0.05. This result reinforces the previous graph that the stock price data has been stationary at the degree (level) zero. The LM test shows the p-value Obs \* R-squared is smaller than 0.05 so that H0 is accepted or there is a GARCH effect on the data used as shown in the table below.

Variabel	Konstanta		ARCH		GARCH		AIC	SIC
	Koef.	Prob.	Koef.	Prob.	Koef.	Prob.		
ISSI	0,000142	0,5817	0,06465	0,000	0,92443	0,000	-6,697	-6,681
FBMS	-1,14200	0,9327	0,14868	0,000	0,81914	0,000	-7,606	-7,589
DJICHKU	0,000282	0,3499	0,69913	0,000	0,91265	0,000	-6,363	-6,346
DJIMI	0,000309	0,0088	0,17197	0,000	0,79648	0,000	-7,331	-7,320

The results of this study indicate that the sum of  $\alpha$  and  $\beta$  ISSI is 0.98909; FBMS is 1.80803, DJICHKU is 0.96845 and DJIMI is 0.91265. Thus, the assumption that ISSI's share price volatility is lower than that of FBMS, DJICHKU and DJIMI is not accepted because if sorted by ranking, ISSI's volatility position is at the second level. Furthermore, to measure whether the stock's performance is good or not, it is necessary to also see the volatility conditions. The results of the ARCH/GARCH volatility estimation are shown in the following table:

	<i>p-value Obs*R-squared</i>	Keterangan
ISSI	0,000 < 0,05	Terdapat efek GARCH
FBMS	0,000 < 0,05	Terdapat efek GARCH
DJICHKU	0,000 < 0,05	Terdapat efek GARCH
DJIMI	0,000 < 0,05	Terdapat efek GARCH

The calculation of daily return and average return of Islamic stocks in Indonesia (ISSI), Malaysia (FBMS), China (DJICHKU), America (DJIMI) is presented in the table below.

Indeks	2015	2016	2017	2018	2019
ISSI	-0.0005896	0.000740179	0.000428291	-8.22389E-05	0.0001086
FBMS	0.000130241	-0.0002462	0.000425287	-0.000567303	0.00017076
DJICHKU	-0.0002778	5.66876E-05	0.001557292	-0.000440277	0.00051444
DJIMI	-5.33469E-05	0.000170294	0.000823311	-0.000241861	0.0008249

The results show that in 2015, FBMS was able to provide the highest return of 0.000130241, while the other three stocks at that time gave negative returns. In that year, DJIMI's return dropped significantly with a value of -5.33469. In 2016, DJICHKU was able to provide a very large positive return of 5.6687 and decreased to 0.001557292 in 2017. However, DJICHKU stock returns were still able to provide positive returns. Then in 2018 the entire stock market experienced a recession so that it was unable to provide a positive return. This condition gradually improved in 2019 where the highest return was given by DJIMI which was able to give -0.000241861 and 0.000824979.

#### Normality of Sharpe Method 2015-2019

No	Index	Prob. Jarque-Bera	Information
1	ISSI	0.838029 > 0.05	Normal
2	FBMS	0.882714 > 0.05	Normal
3	DJICHKU	0.813277 > 0.05	Normal
4	DJIMI	0.964220 > 0.05	Normal

#### Normality of Treynor Method 2015-2019

No	Index	Prob. Jarque-Bera	Information
1	ISSI	0.390167 > 0.05	Normal
2	FBMS	0.392142 > 0.05	Normal
3	DJICHKU	0.458763 > 0.05	Normal
4	DJIMI	0.724332 > 0.05	Normal

#### Normality of Jensen Method 2015-2019

No	Index	Prob. Jarque-Bera	Information
1	ISSI	0.743357 > 0.05	Normal
2	FBMS	0.712784 > 0.05	Normal
3	DJICHKU	0.403474 > 0.05	Normal
4	DJIMI	0.422467 > 0.05	Normal

Based on the table above, it can explain the stocks of ISSI, FBMS, DJICHKU, and DJIMI by using 3 measurement methods showing that the data is normally distributed because the value of Sig > 0.05, which means the normality assumption is fulfilled. Furthermore, the results of the performance difference test for 2015-2019 are shown in the table below:

## Difference Test Repeat Measure

Effect		Value	F	Hypothesis df	Error df	Sig.
Perfor-mance	Pillai's Trace	.814	39.378 <sup>a</sup>	2.000	18.000	.000
	Wilks' Lambda	.186	39.378 <sup>a</sup>	2.000	18.000	.000
	Hotelling's Trace	4.375	39.378 <sup>a</sup>	2.000	18.000	.000
	Roy's Largest Root	4.375	39.378 <sup>a</sup>	2.000	18.000	.000

Based on the table above, it explains that the results of the different repeat measure test are known for performance, P-value (0.000) <0.05, then, there are differences in the performance of the four countries in 2013-2019 from each index (Sharpe, Treynor, and Jensen). The difference also shows a significant value because of the Hotellings' Trace (4,375) > Pillai's Trace (0.814).

## Multiple Comparisons

Dependent Variable	Tukey HSD						
	(I) kinerja	(J) kinerja	Mean	Std. Error	Sig.	95% Confidence Interval	
			Difference (I-J)			Lower Bound	Upper Bound
ISSI	Sharpe	Treynor	-6.52897200*	.45992905	.000	-7.7560000	-5.3019440
		Jensen	-6.76345043*	.45992905	.000	-7.9904784	-5.5364224
	Treynor	Sharpe	6.52897200*	.45992905	.000	5.3019440	7.7560000
		Jensen	-.23447843	.45992905	.868	-1.4615064	.9925496
	Jensen	Sharpe	6.76345043*	.45992905	.000	5.5364224	7.9904784
		Treynor	.23447843	.45992905	.868	-.9925496	1.4615064
FBMS	Sharpe	Treynor	-6.21297200*	1.78583074E0	.012	-10.9773249	-1.4486191
		Jensen	-6.42831542*	1.78583074E0	.009	-11.1926683	-1.6639625
	Treynor	Sharpe	6.21297200*	1.78583074E0	.012	1.4486191	10.9773249
		Jensen	-.21534342	1.78583074E0	.992	-4.9796963	4.5490095
	Jensen	Sharpe	6.42831542*	1.78583074E0	.009	1.6639625	11.1926683
		Treynor	.21534342	1.78583074E0	.992	-4.5490095	4.9796963
DJICHKU	Sharpe	Treynor	-1.17753000	1.90393594E0	.813	-6.2569715	3.9019115
		Jensen	-4.26101074	1.90393594E0	.105	-9.3404522	.8184308
	Treynor	Sharpe	1.17753000	1.90393594E0	.813	-3.9019115	6.2569715
		Jensen	-3.08348074	1.90393594E0	.275	-8.1629222	1.9959608
	Jensen	Sharpe	4.26101074	1.90393594E0	.105	-.8184308	9.3404522
		Treynor	3.08348074	1.90393594E0	.275	-1.9959608	8.1629222
DJIMI	Sharpe	Treynor	-4.05883320*	1.16607440E0	.012	-7.1697607	-.9479057
		Jensen	-4.56764456*	1.16607440E0	.005	-7.6785721	-1.4567171
	Treynor	Sharpe	4.05883320*	1.16607440E0	.012	.9479057	7.1697607
		Jensen	-.50881136	1.16607440E0	.901	-3.6197389	2.6021161
	Jensen	Sharpe	4.56764456*	1.16607440E0	.005	1.4567171	7.6785721
		Treynor	.50881136	1.16607440E0	.901	-2.6021161	3.6197389

\*. The mean difference is significant at the 0.05 level.

Based on the table above, the following conclusions can be drawn:

1. Indonesia's P-value (ISSI) using the Sharpe, Treynor and Jensen method <0.05, and for Malaysia (FBMS) using the Sharpe and Jensen method > 0.09 and for Treynor > 0.012, which means that there are differences in the performance of Indonesian and Malaysian Islamic stocks.
2. China's P-value (DJICHKU) using the Sharpe and Treynor method > 0.813 and for the Jensen method > 0.105. Furthermore, for America (DJIMI) using sharpe and jensen <0.05 and for treynor > 0.012 which means that there are differences in the performance of Chinese and American Islamic stocks.



### Comparison Performance of Sharpe, Treynor and Jensen Method

2015	ISSI	FBMS	DJICHKU	DJIMI
Sharpe	-6.55388	-0.47531	-0.41731	-0.36555
Treynor	-0.07365	-0.00356	-0.02724	-0.73405
Jensen	0.00209806	-9.737E-05	-0.0044815	-0.0029615
Average	-2.20848	-0.15966	-0.14968	-0.36752
2016	ISSI	FBMS	DJICHKU	DJIMI
Sharpe	-6.19649	-6.31767	-4.47349	-4.34459
Treynor	-0.05713	-0.04881	-0.72978	0.385796
Jensen	0.00233948	-0.0115888	-0.0464476	-0.0350892
Average	-2.08376	-2.12602	-1.74991	-1.33129
2017	ISSI	FBMS	DJICHKU	DJIMI
Sharpe	-8.20584	-8.54597	-7.13298	-8.99755
Treynor	-0.04763	-0.03813	-11.2032	-1.2339
Jensen	-0.0026457	-0.0065986	-0.0482277	-0.0308576
Average	-2.75204	-2.86357	-6.12814	-3.42077
2018	ISSI	FBMS	DJICHKU	DJIMI
Sharpe	-5.19627	-4.24902	-4.23696	-4.16955
Treynor	-0.05535	-0.03216	-1.20827	0.35686
Jensen	-0.0039248	0.00058136	-0.048335	-0.0356888
Average	-1.75185	-1.42687	-1.83119	-1.28279
2019	ISSI	FBMS	DJICHKU	DJIMI
Sharpe	-7.66837	-5.43686	-5.243	-5.09958
Treynor	-0.94223	-0.97029	-2.4476	-1.45736
Jensen	-0.0014649	0.00147054	-0.0511945	-0.0340001
Average	-2.87069	-2.13523	-2.5806	-2.19698

Based on the comparison of the performance of the ISSI, FBMS, DJICHKU and DJIMI Islamic stocks, it can be concluded that the American State Sharpe and Treynor method has a better performance than Indonesia, but for the Jensen method, Indonesia has better performance than Malaysia, China and America so that H2 is accepted, which means that Indonesia has a better performance than Malaysia, China and America with the Jensen method during the study period.

### Implication and Conclusion

Based on the above discussion, it is concluded that the volatility of ISSI's share price is not lower when compared to the volatility of FBMS, DJICHKU and DJIMI because if sorted by ranking, ISSI's volatility position is in the second level and there are differences in performance between Islamic stocks in Indonesia, Malaysia, China. and America. The results of performance measurement show that Indonesian Islamic stocks have better performance when measured using the Jensen method and if measured by the Sharpe and Treynor method, America has better performance than Indonesia, Malaysia and China.

The results of this study reveal that performance measurements show that Indonesia and America have a good performance when compared to the performance of Islamic stocks in Malaysia and China so that investors should invest in ISSI or DJIMI in order to get high returns. Then, the results show that the ISSI stock price volatility is lower than the FBMS stock price volatility. This shows that the ups and downs of Islamic stock prices in Indonesia are more stable when compared to FBMS so that investors who don't like risk can invest in ISSI.

For Investors having a proper understanding of the financial and economic arrangements of the country will promote better investment decision making. An understanding of financial behavior is essential for all investors if they are to remain active in the stock market. Investors must develop skills on how to make profitable investment decisions. Before investing in the market, investors need to know the volatility of stock prices and stock performance in order to make the right investment decisions and for further research can add performance measurement methods

so that research results are more accurate and can also add more research objects in other countries that have Islamic stocks.

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