

ABSTRACT

This research is conducted from result contradiction from the previous research about the influence of mutual fund's characteristic and fund manager support to mutual fund performance. The purpose of research which has been done for 2 years, 2009 until 2011 is getting evidence whether the mutual fund's characteristic and fund manager's support affect mutual fund performance or not. Mutual fund performance is measured by using Sharpe method.

Research's model which is used is integration between cross section and time series whereas analysis model which is used to verify the influence of mutual fund's characteristic and investment manager's support is path analysis by using Structural Equation Modeling from LISREL 8.54. The selection of samples in this research uses purposive sampling method and gets 42 equity mutual fund and 36 fixed income mutual fund.

The result of hypothesis conclude that: (1) the number of mutual fund assets influenced positively towards the performance of mutual fund, (2) the support of investment managers doesn't influence positively towards the performance of mutual fund, (3) the number of assets of mutual fund influenced negatively towards the portfolio turnover, (4) the portfolio turnover doesn't influence negatively towards the performance of mutual fund, (5) the number of mutual fund assets influenced positively towards the activity based expense ratio, (6) the hypothesis that stated the activity based expense ratio influenced positively towards the performance of mutual fund, (7) the activity based expense ratio is able to mediate the influence of the amount of mutual fund assets towards the mutual fund performance, (8) the portfolio turnover influenced positively towards the activity based expense ratio, (9) the activity based expense ratio is able to mediate the influence of the the portfolio turnover towards the mutual fund performance, (10) timing ability influenced negatively towards mutual fund performance because mutual fund management doesn't have timing ability, (11) selection ability influenced negatively towards the mutual fund performance because mutual fund management doesn't have selection ability.

Key words: *mutual fund performance, Sharpe method, mutual fund characteristic, investment manager*