UNIVERSITI TEKNOLOGI MARA

PORTFOLIO CONSTRUCTION AND PERFORMANCE EVALUATION EMPIRICAL STUDY IN INDUSTRIAL SECTOR IN MALAYSIA FROM 2007 -2016

FADILAH BINTI ABDUL RAHIM
2014135477

Thesis submitted in fulfillment
of the requirements for the degree of
**Bachelor of Business Administration
(Finance)**

Faculty of Business Administration

December 2017

AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA, Johor Branch, Segamat, Johor . It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Undergaduate, Universiti Teknologi MARA, Johor Branch, Segamat, Johor, regulating the conduct of my study and research.
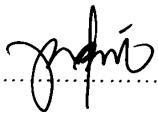
Name of Student	:	FADILAH BINTI ABDUL RAHIM
Student I.D. No.	:	2014135477
Programme	:	Bachelor of Business Administration (Hons) Finance
Faculty	:	Business Administration
Thesis	:	Portfolio construction and performance evaluation: Empirical study on industrial sector in Malaysia from the year of 2007-2016
Signature of Student	:	....
Date	:	21 December 2017

ABSTRACT

This study conducted to minimize risk from the available set of asset by select an optimal portfolio. Portfolio construction need to be constructed. Sharpe Index Model is used, which is regularly employed to assess the performance of mutual funds and portfolio strategies. This study illustrates an analysis of return of the company as the basis for selection, from 2007 to 2016, of all companies listed at Bursa Saham picked from Industrial sectors. Finally the result will be drawn out on the basis of expected risk and return with the help of Sharpe index model. Portfolio evaluating refers to the evaluation of the performance of the investment portfolio. It is essentially the process of comparing the return earned on a portfolio with the return earned on one or more other portfolio or on a benchmark portfolio. Portfolio performance evaluation essentially comprises of two functions, performance measurement and performance evaluation. Performance measurement is an accounting function which measures the return earned on a portfolio during the holding period or investment period. Performance evaluation, on the other hand, address such issues as whether the performance was superior or inferior, whether the performance was due to skill or luck. The ability of the investor depends upon the absorption of latest developments which occurred in the market.

ACKNOWLEDGEMENT

TABLE OF CONTENT