

ABSTRACT

This study investigates how the skill in choosing stocks and timing impact the performance of stock mutual fund portfolios in Indonesia between 2016 and 2022. Additionally, it aims to understand how market conditions influence this relationship. Using secondary data including monthly net asset values of 29 stock mutual funds, interest rates, and monthly returns of the Composite Stock Price Index (IHSG), the study employs panel regression to examine the effect of fund managers' stock selection and timing abilities on portfolio performance. Furthermore, Moderated Regression Analysis (MRA) is applied to explore how market conditions moderate these effects. The findings reveal that the performance of stock mutual funds is positively influenced by fund managers' stock selection skills, and market conditions play a moderating role in this relationship. These results provide valuable insights for investors to evaluate the performance of stock mutual funds considering both fund managers' expertise and prevailing market conditions.

Keywords: Mutual Fund, Market Timing Skill, Stock Selection Skill, Market Sentiment, Mutual Fund Performance