

ABSTRACT

In this study, the analysis aims to obtain an objective value from a company both from the investor side and from the corporate side by conducting comprehensive fundamental-based calculations using the Discounted Cash Flow (DCF) and Relative Valuation (RV) approach methods. In this calculation, a study of the industry average value greatly affects future projections, Beta as one of the factors getting a more accurate discounted value and margin of safety as an approach to get a better validity value. This study requires this research in further analysis related to the approach used in the calculation later.

The object of research used is a company engaged in the Oil, Gas and Coal industry sub-sector listed on the Indonesia Stock Exchange (IDX) in 2022. The data used in this study are audited financial statements from three companies in the 2017-2021 period, which are used in projections of the company's financial behavior in the next five years using three scenarios, namely pessimistic, moderate and optimistic.

From the analysis and calculation using the DCF method, it was found that PGAS shares as a whole were in an undervalued value position, where the lowest deviation was in a pessimistic scenario. On the other hand, the intrinsic value of PER and the intrinsic value of PGAS PBV for all scenarios can also be considered to be at the maximum position of the industry value range. Thus, the investment decision taken is to buy PGAS shares. Then the value of PTBA issuer shares is in an overvalued value position in the pessimistic and moderate scenario. Next, the intrinsic value of PBV scenario is moderate above the industry range, undervalued status, as well as pessimistic scenario, PBV value is below industry range, overvalued status. Meanwhile, the intrinsic value of PER PTBA for pessimistic and moderate scenarios is also overvalued and is at the bottom of the industry value range. Thus, the investment decision taken was to sell PTBA shares.

In the initial calculation, it was stated that ADRO shares were undervalued in all pessimistic, moderate and optimistic scenarios, but it was detected that the intrinsic value of PBV was invalid because the intrinsic value of PBV produced was far above the energy industry range for the Q3 2022 period. This could have happened influenced by local and global conditions at that time related to the COVID-19 pandemic and other political and economic global crises. For this reason, it is necessary to make corrections locally which are applied using the Margin of Safety (MoS) initiative. This MoS is usually applied by investors to anticipate and straighten out the dubious DCF calculation results by applying the right risk aversion calculation. On the other hand, valuation can also be applied by corporations in order to improve the company's performance and focus in the future in accordance with the business roadmap and continuity of company performance.

Keywords: Beta, DCF, Intrinsic value, Invested Capital, MOS, Relative Valuation, Risk Aversion