

Analysis of Fair Price Valuation of Shares in Investment Decision Making in Islamic Banking Issuers on the Indonesia Stock Exchange (Years 2018-2021)

Mohammad Ibnu Hibban¹, Guntur Kusuma Wardana²

^{1,2} Faculty of Economics, Universitas Islam Negeri Maulana Malik Ibrahim Malang, Indonesia
hibbanmohammad12@gmail.com, guntur@uin-malang.ac.id

Abstract

In determining value (value) or commonly known as valuation, it has become mandatory for individuals or companies to express the value they have created. The main part of value extension in the valuation process is very necessary to be controlled by an investment analyst, this becomes important so that an investor can know what company has the potential to increase the value of the investment when investing. Moreover, the main goal of an investor is to seek profit or increase the value of what is invested. Therefore, the issue of value and investment decisions is an important thing to note for investors. The purpose of this study is to find out the fair value of Islamic banking shares on the Indonesia Stock Exchange so that it makes it easier to make investment decisions. From that background, this study was conducted with the title "Analysis of Fair Price Valuation of Shares in Investment Decision Making in Islamic Banking Issuers on the Indonesia Stock Exchange (2018-2021). This type of research is descriptive quantitative with a research sample of a number of three Sharia Bank companies listed on the Indonesia Stock Exchange in 2018-2021. The approach used is the method of calculating the price earning ratio (PER) and price to book value (PBV). From the results of the research shows that the investment decision that can be taken is if referring to the PER approach then we advise to buy shares in the company PT Bank Syariah Indonesia Tbk while on the PBV approach then we advise to buy shares in the company PT Bank Syariah Indonesia and PT Bank BTPN Syariah Tbk because the market value is still lower than its intrinsic value so that investors hope to achieve investment benefits from increase in the difference in stock price.

Keywords

financial ratio; PER and PBV;
investment decisions



I. Introduction

The Indonesian capital market has a very big influence on the country's economic sector, through the capital market (capital market), investors as the party who has capital can invest in hopes of getting a return. Companies as parties who need capital can use these funds to enlarge their projects. The company can do its business development and the government can encourage various activities, it can provide an increase in the prosperity of the people and economy of the Indonesian state through capital collected from the capital market. IDX or Indonesian Stock Exchange (IDX) is the capital market of Indonesia. IDX acts as a forum for people who are making investments, or an alternative for investment. That is, IDX is tasked to provide securities trading facilities in Indonesia. IDX cooperates with the Custodian of the Indonesian Securities Center (KSEI) to issue a Single Investor Identification (SID) number for the use of investors, customers, or other parties who carry

out securities transaction activities. People who have SID can use the services of KSEI or other parties from existing regulations or KSEI approvals. SID is obtained when a person becomes an investor in the Indonesian capital market. A person who already has a SID indicates that he is already listed by KSEI as an investor in the capital market. SID will be granted if a person registers with a securities institution. The advantages of having a SID can make it easier for investors to access other portfolios owned even if they are in a securities company. Through the facilities provided by KSEI, customers can access information specifically for investors to see the mutation of securities contained in securities accounts in KSEI.

Investors who already have SID can invest in stocks in the capital market. Stock investment is an investment that is categorized as high risk-high return. The opportunity to get a profit is very large, but it is also a balance of large losses as well. This can happen because there is a price difference from the decline and increase in the stock price. Efni et al. (2012) argues that in investing there must be consideration of the profit to be obtained, it is accompanied by risks that can occur. From an investment decision can increase the maximum value of the company's profits to be obtained. Findings from Oktaviani & Basana (2015) explain that there is a significant influence between the value of the company and investment decisions. Previously, BEI development director Hasan Fawzi said that in October 2021 the number of SID experienced the highest growth in history since the reactivation of the Indonesian capital market 44 years ago (Indonesia Stock Exchange, 2022) As for sid growth shown in figure 1 below:

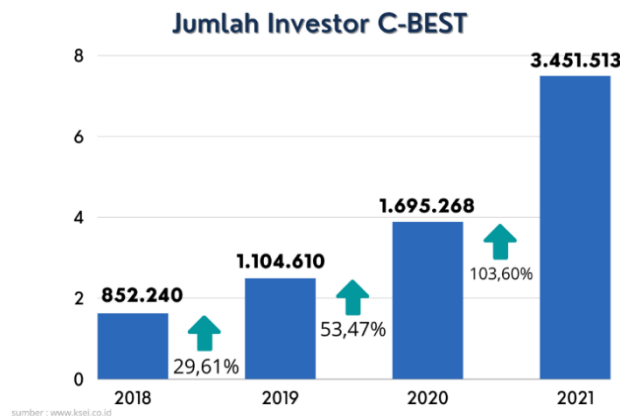
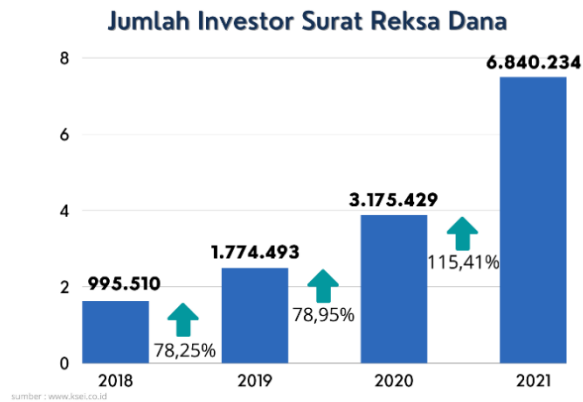
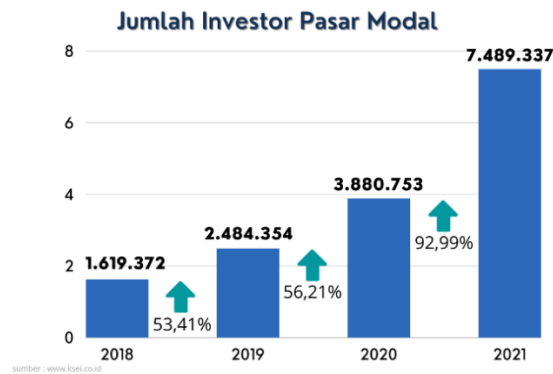


Figure 1. SID Growth

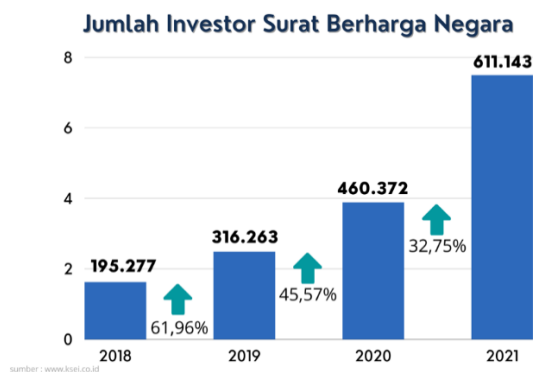
The number of investors of *The Central Depository and Book Entry Settlement System (C-BEST)* increased from 852,240 SID in 2018 to 3,451,513 SID in 2021.



The number of Mutual Fund Letter investors increased from 2018 to 995,510 SID to 6,840,234 SID in 2021.



The number of capital market investors increased from 2018 to 1,619,372 SID to 7,489,337 SID in 2021.



Source: (KSEI, 2021)

The number of state securities increased from 2018 to 195,277 SID to 611,143 SID in 2021.

The explanation above concludes that the number of capital market investors is the largest growth among the number of other investors. Indonesia is a country that has many islands. A capital market investor is not only sourced from one island but spread from various islands in Indonesia. A local investor is referred to as a domestic investor. Throughout the year, the Indonesian capital market experienced a positive trend, one of which was due to the growth of domestic investors. The growth of domestic investor distribution is shown in table 1 below:

Table 1. Distribution of Domestic Investors

PROVINCE	INVESTOR GROWTH	ASSET GROWTH
Sumatra	16,55%	Rp80,28 T (2,08%)
Javanese	69,83%	Rp3.706,01 T (96,20%)
Bali, NTT, NTB	3,33%	Rp12,84 T (0,33%)
Maluku, Papua	0,95%	Rp3,64 T (0,09%)
Sulawesi	3,94%	Rp12,22 T (0,32%)
Kalimantan	5,39%	Rp37,41 T (0,97%)

Source: (KSEI, 2021)

In table 1 above explains that KSEI data as of December 2021, where the growth of SID data increased rapidly accompanied by the origin of investor domicile in Indonesia. The distribution of domestic investors is spread across several islands in Indonesia, from the island of Sumatra to the island of Papua. Java also recorded the highest growth for SID, which was 69.83% with asset growth of Rp3,706.01T (69.83%). Furthermore, the island of Sumatra with the second highest SID growth of 16.55% and the total assets of Rp80.28T (2.08%). Then the island of Kalimantan with the third highest SID growth of 5.39% and the total assets of Rp37.41T (0.97%). Followed by the island of Sulawesi with the fourth highest SID growth of 3.94% and its assets of Rp12.22T (0.32%). For the island of Bali, NTT and NTB are in fifth place with SID growth of 3.33% and assets of Rp12.84T (0.33%). Furthermore, the island of Maluku, Papua with the lowest growth of 0.95% and the total assets of Rp3.64T (0.09%). From the explanation above, java island is the highest SID growth, which is estimated at 69.83% with the total assets of Rp3,706.01T (69.83%) while the island of Papua is the lowest SID growth among other islands, which is estimated at 0.95% with the total assets of Rp3.64T (0.09%).

Investment decisions that provide maximum returns can have an impact on investors. *Signaling theory* asserts that by investing will have an impact on the company's valuation and give a good impression to investors so that they will loyally invest their shares. In this study, investments are considered as *price earnings ratios*. Investors can project their investments to implement PER (Hamid et al., 2012). PER is able to reflect between the closing price of the stock and a fair amount of the stock price of each sheet, it is used as a guideline for market participants to evaluate the success of the company in carrying out its business activities. There are two options available, rejecting or accepting investment proposals. In order to assess these investment decisions, the PER method is needed.

There are a number of factors that affect the value of the company's stock price, namely from the external environment to the internal environment of the company. For investors it is crucial to understand the fair value of a company, where fair value will be compared with the current stock market value. If the market value of the company's stock is greater than the value of the company, then the company is classified as *overvalued*, then investors can make the decision to sell or not to buy shares of companies that are classified as *overvalued*. Conversely, if the stock market value of the company is lower than fair value then the company's stock price is categorized as *undervalued*, so investors are better off holding the shares or buying the shares (Eliza, 2013).

In December 2021, islamic banks that have conducted IPOs on the IDX as many as 4 issuers of Islamic Banks, namely PT Bank Panin Dubai Syariah Tbk (PNBS), PT Bank Syariah Indonesia Tbk (BRIS), PT BTPN Syariah Tbk (BTPS), and PT Bank Aladin Syariah (BANK). Meanwhile, PT Bank Panin Dubai Syariah Tbk (PNBS) began its IPO on January 15, 2014 by providing 4,750,000,000 shares at a price of Rp100 per share, then the company managed to raise funds from the IPO of Rp475,000,000,000. Then Bank Syariah

Indonesia managed to raise funds from the IPO amounting to Rp1,337,908,806,000. Then, PT BTPN Syariah Tbk (BTPS) began its IPO on May 8, 2018 by providing 770,370,000 shares at a price of Rp975 per share, then BTPN Syariah managed to raise funds from the IPO of Rp751,110,750,000. Then, PT Bank Aladin Syariah (BANK) conducted an IPO on February 1, 2021 by providing 5,000,000,000 shares at a price of Rp103 per share, then Bank Aladin Syariah managed to collect IPO funds of Rp515,000,000,000,000,000.000. (Financial Services Authority, 2018) .

Some previous studies have differed in the results of research, such as research from (Natalia et al, 2019) found that the PER method has accuracy in evaluating stock prices compared to DDM, PBV, FCFE, and FCFE methods. According to Sutjipto et al. (2020) concluded that the DDM method has accuracy in evaluating stock prices compared to APV, EV / EBITDA, and PER methods. According to Charumathi & Sudhakar (2015) explained that the PER and PBV methods have accuracy in evaluating stock prices compared to the CAPM and DDM methods. According to research by Beyaz et al. (2018) comparing stock valuations using technical and fundamental analysis with results, fundamental analysis results in better stock price forecasting than technical analysis.

Referring to the background outlined above, this study is entitled "Analysis of Fair Price Valuation of Shares in Investment Decision Making on Islamic Banking Issuers on the Indonesia Stock Exchange in 2018-2021".

The research objectives of this study are the following: 1. Knowing the future prospects of BRIS, BTPS, PNBS as an investment destination by investors by analyzing the company's financial ratio. 2. Knowing the fair price of the stock with *the Price Earning Ratio* (PER) and *Price to Book Value* (PBV) methods. Know the investment decisions that should be taken by investors.

II. Review of Literature

In this study, the authors guided references to previous research. In addition to comparing research this time with research that has been done by previous authors, in this case the author also intends to use previous research in the form of national journal articles and international journals, as a support for the content of this research, and add the necessary information. Inezwari's research (2013) entitled Relative Valuation Model Analysis of IDX LQ45 Stocks concluded that PBV emerged as the best model in predicting LQ45 stock prices in the Indonesian capital market. However, the annual analysis concluded that time is an important factor to consider in nominating the best predictors because the best predictors in each year are not the same (PER in 2006 and 2010, PBVs in 2007 and 2008 and PCF for 2009). Another factor to consider is the sector (industry). The results showed that each industry had the best unique predictors, where PER and PBV were the best predictors for all three sectors. Because mixed results were found in identifying the best predictors, hyporesearch testing concluded that the prediction errors generated by the ratios were different. Puspitasari's research, (2018) on "Analysis of fair price valuation of shares by FCFE method and relative valuation method (study on IDX30 stocks in 2012)" concluded that the calculation of fcf methods resulted in 11 overvalued shares and 19 undervalued shares. Then the relative valuation method of the PBV approach gives the result of 24 overvalued stocks as well as 6 undervalued stocks. The relative valuation method of the PER approach gives the result of 18 overvalued stocks and 12 undervalued stocks.

III. Research Method

This research is taken from Islamic banking companies in Indonesia that have conducted IPOs in the period 2018-2021. The location in this study is the collection of data directly through *the* IDX website (www.idx.co.id) and financial statements through *the* website (www.ojk.go.id). The determination of the location is carried out to support the data needed for the procurement of this research. Here researchers utilize a type of quantitative research from a descriptive approach. As stated by Sugiyono (2017) quantitative research methods, namely research methods that refer to the philosophy of *positivisme*, useful for researching certain samples or populations, in general sampling techniques are taken at random, data collection utilizes research instruments, data analysis is quantitative with the aim of testing predetermined hypotheses. Where this research applies a descriptive approach aimed at describing the results of research as well as research objects. Descriptive can be interpreted according to Sugiyono (2017) which is a method that is used to describe a research object through samples or data that has been collected as it really is, by not running an analysis and drawing conclusions that are generally enforced.

IV. Result and Discussion

4.1 Company Overview

a. PT Bank Syariah Indonesia Tbk

PT Bank Syariah Indonesia Tbk was established on February 1, 2021. The establishment of Bank Syariah Indonesia was accompanied by a corporate action, namely the merger of 3 state-owned Islamic banks into one. The three banks are Bank Syariah Mandiri BNI Syariah, and BRI Syariah into one entity, namely Bank Syariah Indonesia. PT Bank Syariah Indonesia Tbk listed on the IDX in 2018 and entered in DES with the issuer code BRIS.

Table 2. List of Shareholders of PT Bank Syariah Indonesia Tbk

Name	Sum	Presented
PT Bank Mandiri Tbk	20,905,219,379	50.8300%
PT Bank Negara Indonesia Tbk	10,220,230,418	24.8500%
PT Bank Rakyat Indonesia	7,092,761,655	17.2500%
Other Shareholders	2,911,095,891	7.0700%

Source: RTI Business (2022)

The table shows that the largest shareholder is PT Bank Mandiri Tbk as much as 50.83%.

b. PT Bank BTPN Syariah Indonesia Tbk

PT Bank BTPN Syariah Indonesia Tbk was established on July 14, 2014. The establishment of Bank BTPN Syariah is behind the conversion of PT Bank Sahabat Purba Danarta with its headquarters in Semarang, into a Sharia Bank and then in the *spin-off* of the BTPN Sharia Business Unit (UUS) to Bank BTPN Syariah. On January 30, 2014, 70% of Bank Sahabat's shares were acquired by Bank BTPN. Then based on the OJK decision dated May 22, 2014, it was converted to Sharia Bank. UUS in BTPN whose formation was carried out in March 2008, then on July 14, 2014 in a spin-off to Bank Syariah. PT Bank

BTPN. In 2018 Bank BTPN Syariah began to be listed on the IDX and to the Sharia Securities List with the issuer code PNBS.

Table 3. List of Shareholders of PT Bank BTPN Syariah Indonesia Tbk

Name	Sum	Presented
PT Bank BTPN Tbk	5,392,590,000	70.0000%
Audience	2,309,842,000	29.9800%
Treasury Shares	1,268,000	0.0200%

Source: RTI Business (2022)

The table above states that the largest shareholder is PT Bank BTPN Tbk as much as 70%.

c. PT. Bank Panin Dubai Syariah Tbk

PT Bank Panin Dubai Syariah Tbk has a long history. It was established on January 8, 1972 and at the beginning of its establishment was named PT Bank Pasar Bersaudara Djaja. Then on January 8, 1990 there was a name change to PT Bank Bersaudara Djaja. Then on March 27, 1997 changed its name to PT Bank Harfa. Not until there, at the extraordinary GMS on August 3, 2009 the name was changed to PT Bank Panin Syariah related to the change of its business activities from conventional to sharia with the principle of profit sharing. In 2016, it changed its name to PT Bank Panin Dubai Syariah Tbk, this happened due to the entry of Dubai Islamic Bank PJSC as one of the bank's controlling shareholders. PT Bank Panin Dubai Syariah Tbk and in 2014 began listing on the IDX and entered in DES with the issuer code PNBS.

Table 4. List of Shareholders of PT Bank Panin Dubai Syariah Tbk

Name	Sum	Presented
PT Bank Panin Tbk	26,121,527,033	67,30%
Dubai Islamic Bank PJSC	9,742,223,971	25,10%
Community	2,949,890,315	7,60%

Source: RTI Business (2022)

The table shows that the largest shareholder is PT Bank Panin Tbk as much as 67.30%.

4.2 Analyzes Fundamental

Some financial ratios that are useful in fundamental analysis include ROE, EPS, DPS, *Growth Rate* (g), EPS Estimate, *Expected Return*. In this study there are 3 companies that already meet the criteria and will be used as research samples. The three companies that have met these criteria are PT Bank Syariah Indonesia Tbk, PT Bank BTPN Syariah Tbk, PT Bank Panin Dubai Syariah Tbk. The three companies are companies that have applied Islamic values. Companies in the field of financial services that are included in DES. Various financial ratios that are useful for analyzing fundamentally are:

a. Return on Equity

If the ROE value is higher, then the company's efficiency in managing capital will be better. The roe value that has been processed is:

Table 5. Roe BRIS BTPS PNBS date 2018-2021

No	Company	2018	2019	2020	2021	Average
1.	BREAKAGE	0,0213	0,1454	0,4004	0,1207	0,1719
2.	BTPS	0,2415	0,2595	0,1454	0,2057	0,2130
3.	PNBS	0,0124	0,0077	0,0000	-0,3554	-0,0838

Source: Data processed by Researchers (2022)

b. Earning Per Share

This ratio aims to find out the level of profitability that can be known from the business profitability of a company. In this case EPS is the company's profit obtained by the company in a certain period of time. The calculation is done by dividing net profit after tax by the number of ordinary shares outstanding. The greater the ratio will make it better.

Table 6. EPS BRIS BTPS PNBS Data 2018-2021

No	Company	2018	2019	2020	2021	Average
1.	BREAKAGE	11,0	7,6	53,6	74,3	36,6
2.	BTPS	126,5	183,5	112,1	191,4	153,3
3.	PNBS	0,8	0,5	0,0	-21,2	-19,9

Source: Data processed by Researchers (2022)

c. Dividends Per Share

Dividend Per Share shows the total value of a company's shares spread to shareholders with the following formula:

$$DPS = \frac{\text{Total Company Dividend}}{\text{Number of Outstanding Shares}}$$

Table 7. Data DPS BRIS BTPS PNBS 2018-2021

No	Company	2018	2019	2020	2021	Average
1.	BREAKAGE	-	1,1	-	-	0,275
2.	BTPS	-	-	45,4	62,3	26,9
3.	PNBS	-	-	-	-	0

Source: Data processed by Researchers (2022)

d. Growth Rate

The formula used in calculating the growth rate is:

$$g = ROE \times (1 - \text{Payout Ratio})$$

Table 8. Data Growth Rate BRIS BTPS PNBS 2018-2021

No	Company	2018	2019	2020	2021	Average
1.	BREAKAGE	0,0213	0,1243	0,4004	0,1207	0,166
2.	BTPS	0,2415	0,2595	0,0865	0,1387	0,181
3.	PNBS	0,0124	0,0077	0,0000	-0,3554	-0,083

Source: Data processed by Researchers (2022)

e. Estimated EPS

The formula used to determine the expected EPS estimate is:

$$E1 = E0 \times (1+g)$$

Table 9. Data Estimated Eps Bris Btps Pnbs 2019-2021

No	Company	2018	2019	2020	2021	Average
1.	BREAKAGE	11,23	8,54	75,06	83,26	44,52
2.	BTPS	156,42	476,36	121,79	217,94	243,12
3.	PNBS	0,80	0,50	0	-13,66	-3,09

Source: Data processed by Researchers (2022)

f. Expected Return

The formula used in knowing the expected return level is:

$$K = \frac{T_0}{\text{After}} + g$$

Table 10. Data *Expected Return* BRIS BTPS PNBS 2019-2021

No	Company	2018	2019	2020	2021	Average
1.	BREAKAGE	0,0213	0,1276	0,4004	0,1207	0,1675
2.	BTPS	0,2415	0,2595	0,0986	0,1561	0,1889
3.	PNBS	0,0124	0,0077	0,0000	-0,3554	-0,0838

Source: Data processed by Researchers (2022)

4.3 Financial Ratio Assessment

Some of the results of financial ratio research used in analyzing fundamentally to find out the condition of a company that can be used as a determinant of prspek in the future, while these ratios are *ROE*, *EPS*, *Dividends per share*, *Growth rate*, *EPS Estimated*, *Expected return*. Researchers took 3 companies for research are PT Bank Syariah Indonesia Tbk, PT Bank BTPN Syariah Tbk, PT Bank Panin Dubai Syariah Tbk.

Table 11. Financial Ratio Assessment

Ratio	Company	Conclusion
ROE	BTPS	The company that gets the highest ROE is BTPS, BTPS is considered very efficient in managing its capital
EPS	BTPS	The company that gets the highest EPS is BTS, meaning btps can show its ability to make profits.
DPS	BTPS	The highest DPS ratio is achieved by BTPS because it is able to obtain high profits and the level of efficiency of the company in managing the capital obtained.
<i>Growth Rate</i>	BTPS	<i>The highest growth rate</i> achieved by BTPS shows the highest growth rate to achieve profits.
EPS Estimate	BTPS	BTPS produces the highest EPS affirmation, this shows the level of the company's ability to make a profit based on past performance.
<i>Expected Return</i>	BTPS	BTPS <i>produces the highest expected return rate</i> , this shows the highest return on investment among BRIS and PNBS.

Source: Data processed by researchers (2022)

If viewed as a whole, of the three companies related to various financial ratios there are only two companies that have good performance and job prospects to be an investment destination for investors, namely BTPS and BRIS.

4.4 Share Valuation

This is done with the aim of seeing the fair price of the company's shares studied. Although every time the stock price changes, but with the knowledge of fair value will increasingly know the fair value of shares that are useful to deal with problems in the stock market. The methods used in valuing stocks are PBV and PER.

a. Price Earning Ratio Method

According to Ryan Filbert's theory (2017) the purpose of using the PER method in assessing stock prices is to see how long it takes for an investor to return his investment capital. The use of PER is to compare the stock price between the most expensive and the cheapest. If the value below 15x PER is declared low, simply PER 15x means that the current market price is equivalent to 15 years of the company's net profit. The lower PER value indicates if the market in valuing a stock is getting cheaper.

The results of the PER calculation will be presented in the table below;

Table 12. Calculation Data PER BRIS BTPS PNBS 2018-2021

No	Company	FOR				Intrinsic Value			
		2018	2019	2020	2021	2018	2019	2020	2021
1	BREAKAGE	0	333,33	0	0	0	2846	0	0
2	BTPS	0	0	3,75	3,58	0	0	456,7	780,2
3	PNBS	0	0	0	0	0	0	0	0

Source: Data processed by Researchers (2022)

From the results of the above calculations, it is known that:

Table 13. Price Earning Ratio (PER)

Company	Condition			
	2018	2019	2020	2021
BREAKAGE	Expensive	Cheap	Expensive	Expensive
BTPS	Expensive	Expensive	Expensive	Expensive
PNBS	Expensive	Expensive	Expensive	Expensive

b. Metode Price to Book Value

Price to Book Value is the result of the share price per share divided by the book value of share capital per share. The steps in calculating pbv are;

1. Calculating BVS

In order to calculate the PBV must know the BVS. The formula used in calculating BVS is:
 $BVS = \frac{\text{total equity}}{\text{Number of shares outstanding}}$

2. Calculating PBV on BRIS BTPS PNBS shares for the period 2018-2021

The formula used in calculating PBV is:

$$PBV \text{ ratio} = \frac{\text{Stock market price}}{BVS}$$

3. Calculate the intrinsic value of the PBV method

The formula used in knowing the intrinsic value of the PBV method is:
 Intrinsic value = average PBV of industry x BVS

Table 14. Data Price Book Value BRIS BTPS PNBS 2018-2021

Company	Year	Share Price	Total Equity	Number of Shares	Book Value	PB V	Value Intrinsic
BREAKAGE	2018	525	5.026.600.000.000	9.618.952.363	522	1,05	897,84
	2019	330	5.088.000.000.000	9.618.952.363	528	0,62	1.320
	2020	2.250	5.444.300.000.000	40.619.825.972	134	16,7	1.005
	2021	1.780	25.013.900.000.000	40.619.825.972	615	2,89	4.735
BTPS	2018	1.795	3.996.900.000.000	7.626.663.000	524	3,42	901,28
	2019	4.250	5.393.300.000.000	7.626.663.000	707	6,01	1.767,5
	2020	3.750	5.878.700.000.000	7.626.663.000	770	4,87	5.775
	2021	3.580	7.094.900.000.000	7.626.663.000	930	3,84	7.161
PNBS	2018	50	1.668.500.000.000	23.719.447.472	70	0,71	120,4
	2019	50	1.694.600.000.000	23.719.447.472	71	0,70	177,5
	2020	83	3.115.700.000.000	38.569.004.293	80	1,03	600
	2021	85	2.301.944.837.000	38.569.004.293	59	1,44	454

Source: Data processed by Researchers (2022)

4.5 Investment Decisions

a. Investment Decision Making by PER method

Table 15. Investment Decision Making by PER method

Company	Year	Condition	Decision
BREAKAGE	2018	<i>Overvalued</i>	<i>Sell</i>
	2019	<i>Undervalued</i>	<i>Buy</i>
	2020	<i>Overvalued</i>	<i>Sell</i>
	2021	<i>Overvalued</i>	<i>Sell</i>
BTPS	2018	<i>Overvalued</i>	<i>Sell</i>
	2019	<i>Overvalued</i>	<i>Sell</i>
	2020	<i>Overvalued</i>	<i>Sell</i>
	2021	<i>Overvalued</i>	<i>Sell</i>
PNBS	2018	<i>Overvalued</i>	<i>Sell</i>
	2019	<i>Overvalued</i>	<i>Sell</i>
	2020	<i>Overvalued</i>	<i>Sell</i>
	2021	<i>Overvalued</i>	<i>Sell</i>

Source: Data processed by Researchers (2022)

b. Investment Decision Making by PBV method

Table 16. Investment Decision Making by PBV method

Company	Year	Condition	Decision
BREAKAGE	2018	<i>Undervalued</i>	<i>Buy</i>
	2019	<i>Undervalued</i>	<i>Buy</i>
	2020	<i>Overvalued</i>	<i>Sell</i>
	2021	<i>Undervalued</i>	<i>Buy</i>
BTPS	2018	<i>Overvalued</i>	<i>Sell</i>

	2019	<i>Overvalued</i>	<i>Sell</i>
	2020	<i>Undervalued</i>	<i>Buy</i>
	2021	<i>Undervalued</i>	<i>Buy</i>
PNBS	2018	<i>Undervalued</i>	<i>Buy</i>
	2019	<i>Undervalued</i>	<i>Buy</i>
	2020	<i>Undervalued</i>	<i>Buy</i>
	2021	<i>Undervalued</i>	<i>Buy</i>

Source: Data processed by Researchers (2022)

Based on the table above, it can be explained if the shares of PT Bank Syariah Indonesia Tbk, looking at the value of PBV *included in the undervalued* (cheap) condition of the reasonable price. It is better for the decision of investors to buy the stock because it has a cheap market price. Except in 2020 the shares of PT Bank Syariah Indonesia Tbk are in a high condition from their fair price so the decision taken should not make the purchase or sell the shares because they are considered too expensive from fair value.

PT Bank BTPN Syariah, judging from the PBV ratio, is in *an overvalued* condition in 2018 and 2019. However, in 2020 to 2021 *undervalued* conditions. This is due to the brilliant performance of the increase in net profit from the previous year, causing the stock to *be undervalued* (cheap). So, the decision that should be taken by investors is to buy the shares in 2020 and 2021.

Based on the PBV ratio, PT Bank Panin Dubai Syariah Tbk's shares in 2018 to 2021 are *undervalued*. This is because the stock price is below its intrinsic value so that the decision that should be taken by investors is to buy shares of PT Bank Panin Dubai Syariah Tbk.

Companies whose condition is in overvalued are not necessarily always considered unfavorable or not potential, there are two factors about overvalued stocks. First, the view if the stock moves towards fair value, there is the potential for profit even though it is relatively fast. The second view explains if the same overvalued shows if the market considers the company worthy of being valued at a high value or worthy of being above the fair price. It also indicates if there is confidence from the market in the company's shares. Conversely, companies whose condition is undervalued are not always potential. The importance of looking more deeply about the company's shares to find out whether it is fundamentally performing well and has bright job prospects in the future.

IV. Conclusion

1. Through financial ratio, in the form of Return on Equity ratio, Earning Per Share, Dividend per share, Growth rate, EPS Estimated, expected return is concluded if the company that has the highest ROE ratio is BTPS, the highest EPS ratio obtained by BTPS, the highest DPS ratio obtained by BTPS, the highest DPS ratio obtained by BTPS, the growth rate ratio The highest obtained BTPS, the highest estimated EPS ratio obtained by BTPS, and the highest expected return ratio obtained by BTPS. Of the three companies in financial ratio in our opinion there are only two companies that have good performance and job prospects as an investor's goal to invest.
2. Through the valuation of the stock price conducted by the PER method, the results obtained by comparing intrinsic value with the stock market price, bris company is in an overvalued condition in 2018. In 2019 experienced undervalued conditions, in 2020 to 2021 experienced overvalued conditions. Then for BTPS and PNBS companies from 2018 to 2021 experienced overvalued conditions. If you look at the results of

research conducted with the PER method, investors are advised to buy shares from BRIS companies.

Furthermore, the stock price valuation carried out by the PBV method obtained by BRIS shares in 2018 undervalued conditions was estimated at 1.05 when compared to its intrinsic value. In 2019, it was undervalued at 0.62. In 2020, it was overvalued at 16.7. In 2021, it is undervalued when compared to its intrinsic value even though the PBV ratio is estimated at 2.89. Then for BTPS companies on a PBV basis when compared to the value of intrigue in 2018 experienced an overvalued condition of 3.42. In 2019, it was overvalued at 6.01. In 2020, it experienced an undervalued condition when compared to its intrinsic value even though the PBV ratio was estimated at 4.87. Likewise, in 2021 experienced an undervalued condition of 3.84. Furthermore, pnbs companies in 2018 experienced an undervalued condition, which was estimated at 0.71. In 2019, it was undervalued at 0.70. In 2020, it was undervalued at 1.03. In 2021, it experienced an undervalued condition of 1.44 pbv when compared to its intrigue value.

Investment decisions obtained from the PER method, investors should buy at BRIS companies because the market price is smaller compared to its intrinsic value, so the condition of the shares is undervalued. Then investment decisions in accordance with the PBV method in 2018 and 2019 investors are advised to buy shares of BRIS companies because they are undervalued or the market price is smaller than its intrinsic value. In 2020 and 2021 investors are advised to buy shares of BTPS companies because in that year BTPS shares are undervalued or the market price is smaller than their intrinsic value.

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