ABSTRACT

In Indonesia the study of industry and company analysis are very rare, although the results of analysis from some analysts are available, the valuation are usually not widely publicized, only limited to the number of securities firms customers. That is why many investor doing such an errors in taking investment decisions. The investors is very difficult to get such information that can be used to perform analysis of the company such as financial condition, managements, and company policies that support the growth of the company. Some investor are following the market rumor and usually become a follower, they are easily being played by big players, and finally most of them lose the game especially retail investors. This thesis is made as an example how to value the firms based on it is fundamental value. The author conduct a stock valuation of PT Hexindo Adiperkasa, Tbk. (HEXA) using DCF method. The result of valuation is to get the fundamental value of the firm which is divided by the number of outstanding shares, the result (stock price) will be compared with the market value of these shares at the same period, so it will be seen whether the company's stock undervalued or overvalued. Based on our calculation, HEXA’s fundamental stock price was Rp 1.707/share on December 31, 2008 and the market price of HEXA at that time was Rp 690 this condition indicated that the market had undervalued, so we strongly recommended to investors to take BUY position.

Keywords: Hexindo Adiperkasa, HEXA, wholesale production goods industry, heavy equipment sector