ABSTRACT

An Analysis of Value Investing of some Indonesian Public Companies in the Age of Turbulence
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In the recent past of year 2009, countless investors suffered impeccable loss of money in stock market during the 2009 financial crisis. Many investors were left penniless as big companies such as Lehman Brothers, Washington Mutual and Downey Financial Corp go bankrupt. As a result, these caused investors to look for a safer investment yet achieve higher returns in the future for their retirement. According to Warren Buffet, there is a method of investment that is low risk but produce high returns, it is called Value Investing. Value investing is an investment paradigm that derives from the ideas that involves buying securities whose shares appear underpriced by some form of fundamental analysis. It has been tested and has been proven successful in the United States. Despite its fair of success in the United States, Value investing is yet to be tested in Indonesia, especially Indonesia Stock Exchange. Therefore, this thesis will explore the application of Value investing in Indonesia and the type of stocks that is applicable using Value Investing method. The approach of this research is conducted using both field and the literature research. The collection of data and information will be done using census and direct observation.