External and internal analysis to corporation that influence plantation stock price at Jakarta Stock Exchange

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Bad economic crisis in Indonesia has paralyzed business climate mainly caused by low support from poor national corporate structure and industrial composition which most of it oriented to conglomeration and mega project approaches. Agribusiness sector, in fact, had proven as one of business kind that could survive under such above-mentioned condition.

Agribusiness sector contributes 5 % population of the Jakarta Stock Exchange emitters. Palm plantation becomes one of main commodities through Crude Palm Oil production. Focus of the research is a case study over three emitters which are: PT. Astra Agro Lestari Tbk, PT. PP London Sumatra Indonesia Tbk, PT. Sinar Mas Agro Resources and Technology Tbk, as CPO producers.

Quantitative data were collected from Bridge Stations and Reuters Kobra through analysis tools: multiple regression model, Altmant Z Score, Cross Sectional, Value at Risk, Expected return.

Result generated from multiple regression analysis proved that such variables such as: interest rate, Return On Asset, non-operational income, book value and trends were significantly influenced the movement of stock price. Interest rate, exchange rate, Return On Assets and trend gave negative effect to the movement of stock price and the rest delivered positive effect. Technical approach has dominated the whole decision making process included the short-term investment decision.

The Altman Z score model describes that during research period showed internal corporate condition of these emitters were in bad condition reflected from the value of Z score, which is under 1.90. Cross Sectional analysis done to a bunch of stock portfolio in the same time frame in order to know the stock price position relative to another by using Price Earning Ratio variables.

Value at Risk model describes risk level will be faced by investor. The VaR will reflect the amount of risk faced by investor if they want to invest in stocks. This value can be used as a base to make a "Cut Loss" or benefit as "Early Warning" to minimize loss from stock investment. VaR calculation done on each portfolio will protect investor from loss that may occur then. If the amount of expected return becomes bigger than the Value at Risk, it means that the event of investment in such portfolio is rational enough.