CHAPTER V

CONCLUSION & SUGGESTIONS

5.1 Conclusion

This study uses the Capital Assets Pricing Model (CAPM) with the intention of obtaining information on stocks that are classified into undervalued and overvalued stock groups which are used as the basis for returning decisions in investing and minimizing risk by forming optimal portfolios. In the stocks that make up the IDX30 Index in the period of Week 1 January 2017 to Week 5 August 2023 with a total sample of 13 company shares. Based on the research results obtained from a series of analyses discussed in the previous chapter, the researcher draws several conclusions from this study, namely, as follows:

1. The grouping of stocks based on the results of the Capital Assets Pricing Model (CAPM) calculation, of the 13 shares of the company selected as the research sample, there is 8 stocks of companies which belongs to undervalued stock group, which are ADRO, BBNI, BBCA, BMRI, BBRI, KLBF, SMGR and UNTR with investment decisions taken by investors and potential investors on undervalued stocks are to buy and hold these shares. While ASII, INDF, PGAS, TLKM and UNVR stocks are included in the overvalued group so that investments choices made by investors and potential investors are advised against purchasing and selling these shares before the price drops further. The recommended stocks for investment are BBCA, BBRI and ADRO stocks because they have the largest difference between Ri and E(Ri). The stocks included in the undervalued stock group are then included in the calculation of the optimal portfolio to produce

optimal portfolio candidate stocks and non-candidate optimal portfolios, based on the ERBi> C* value, there are 6 stocks included in the optimal portfolio candidates, namely ADRO, BBCA, BBNI, BBRI, BMRI and UNTR by producing returns and portfolio risks of 0.29% and 0.35% respectively in the proportion of BBCA funds 58%, BBRI 21%, BMRI 16%, ADRO 13%, BBNI 6% and UNTR shares 4%. While KLBF and SMGR are included in the group of non-candidate optimal portfolio stocks because they have ERBi < C* values.

2. The return difference test using the Mann-Whitney Test conducted to answer the hypothesis in the study shows that there is no difference in return on the optimal portfolio candidate stocks and non-candidate optimal portfolios with a significance value of 0.094 > 0.05. While the risk difference test using the Mann-Whitney Test shows that there is a difference in risk in the optimal portfolio candidate stocks and non-candidate optimal portfolios with a significance value of 0.046 < 0.05. Based on the results of the study it can be concluded that the determination of stocks that are included in the candidate and stocks that are not included in the candidate portfolio is influenced by the amount of risk.

5.2 Suggestions

Based on the results and conclusions of the research that has been made and described previously, some suggestions that researchers can provide related to "Return And Risk Analysis In Determining Stocks Investments Decision (Study On Companies Listed In IDX30 Index)" as input for interested parties, among others:

1. For the Company

For companies classified as overvalued stocks and not worth investing in during the research period, in order to improve company performance and value so that they can meet investor expectations in investing. Meanwhile, companies that are included in the undervalued stock group are worth investing in order to maintain their performance and increase stock demand.

2. For Investors

Investors and potential investors before investing their capital in stock investment should carry out a calculation to minimize risk and prevent errors in choosing invested shares so that the expected profits can be achieved, of course by always paying attention to the level of return and risk that will occur. One of them is by using the Capital Assets Pricing Model (CAPM) to find out which stocks are able to generate returns which are bigger than expected returns rates or undervalued stocks. In addition, investors and potential investors are required to keep abreast of information and pay attention to other factors that can affect stock prices such as inflation, exchange rates, company performance and so on, investors and potential investors should also continue to update calculations with the latest data.

3. For Further Researchers

This research was only conducted on 13 companies which were research samples from 30 companies that made up the IDX30 Index, for further researchers who will conduct research using the same method it is hoped that they can use other stock indices that are more common so as to produce more research samples. This research is also limited to weekly closing stock prices and BI rate, it is recommended that future researchers use daily data with the latest period so that the research results will be more accurate.