

## **ABSTRACT**

*Fluctuating stock price movements and returns can influence investment decisions, so valuations are needed to minimize investment risk. This research aimed to assess the fair value of stock price at Coal Mining Companies listed in IDX 2018. Using Discounted Cash Flow Methods with Free Cash Flow to the Firm approach and to validate the result using relative valuation methods with PER and PBV approach. Sample of this research are ADRO, BYAN and PTBA which are the big three coal mining company. The research data were derived from historical data years 2013 - 2017 which considered as the reference for the projection years 2018-2022 involving three scenarios namely pessimistic, moderate and optimistic scenario and the value of the research compared within market price on January 2, 2018. Findings from this research showed that using DCF-FCFF method fair value of ADRO, BYAN and PTBA has undervalue in all scenario. Furthermore, in relative valuation method within PER and PBV approach showed PER and PBV of all sample this research is within the industry range that means the result of calculation is proper. The conclusion of this research is to recommend buying ADRO, BYAN and PTBA shares.*

**Keywords:** Coal Mining Companies, IDX, Valuation