ABSTRACT

Investor reliance in a company is often linked to the company's stock price. Valuation prediction is one way to provide shares or sell shares recommendations to the investors regarding the company's condition.

This study uses the Discounted Cash Flow (DCF) method with the Free Cash Flow to Firm (FCFF) approach and the Relative Valuation method with the PER and PBV approach to estimate shares' intrinsic value by using chemical sub-sector companies listed on the Indonesia Stock Exchange (IDX) in 2019 historical data.

This research sample is a dominant player in the industry of BRPT, TPIA, and UNIC. Data is sourced from the historical data for 2015 - 2019, as used as a reference for 2020-2024 as the projection year. The projection is carried out using several scenarios, the optimistic scenario (conditions above industrial growth), the medium scenario (the most potential condition), and the pessimistic scenario (average industrial conditions).

With the DCF-FCFF approach, the results show that BRPT, TPIA, and UNIC share prices are in an overvalued position in all scenarios. With the PER approach, the results show that BRPT and UNIC share prices are undervalued; meanwhile, TPIA shares are overvalued in all scenarios. With the PBV approach, the valuation results show that the BRPT and TPIA share prices are undervalued; and the UNIC share price is undervalued in all scenarios.

Based on the results, we suggest that the company must consider the efficiency of the company's expenses, such as operating expenses and capital expenditure. The investors must pay attention and consider the recommendations based on DCF calculations with the FCFF approach from the company's historical analysis. Furthermore, future studies can use other valuation methods to enhance company valuations references.

Keywords**:** *Discounted Cash Flow, Relative Valuation, Valuation*