

## **ABSTRACT**

This research aims to predict the intrinsic value and provide recommendations for investment decisions on shares of companies in the cement industry. This research was conducted in 2019, which was the beginning of COVID-19, and in 2021, which was when economic growth improved. This analysis uses data from 2014–2020 to calculate historical performance and uses estimates of company financial behavior.

The analysis uses the FCFF and Relative Valuation methods for validation tests based on optimistic, moderate, and pessimistic scenarios. The results of the 2019 valuation, recommendations for the pessimistic scenario are buy for SMCB and sell for SMGR and INTP, moderate scenario buy for SMGR and SMCB and sell for INTP, then optimistic scenario buy for SMGR and SMCB and sell for INTP.

Recommendations for the 2021 valuation results in a pessimistic sell scenario for SMGR, INTP and SMCB, a moderate buy scenario for SMGR and SMCB and a sell scenario for INTP, as well as an optimistic buy scenario for SMGR, SMCB and INTP. From the results of stock valuation sensitivity calculations, it is known that SMGR's intrinsic value has decreased by 42.1% on average, but the valuation results are close to the market share price. INTP experienced an average increase of 3.7% but with a quite significant difference in value from market value and valuation results. SMCB experienced an average increase of 31.2%, supported by its financial condition, experiencing growth in revenue and profits, share prices were still relatively cheap.

**Keywords: Stock Valuation; Intrinsic Value; FCFF, Relative Valuation (RV); Cement Industry**