THE INFLUENCE OF INTRINSIC VALUE OF STOCK VALUATION RESULT TO STOCK MARKET PRICE IN INDONESIA STOCK EXCHANGE

(CASE STUDY ON LQ45 STOCK INDEX)

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ABSTRACT

The aims of this study are to analyze the intrinsic value effect of stock valuation result to stock market price. This research was conducted using secondary data. Sampling technique used purposive sampling. From eighty nine companies, just thirty four companies entering the criteria samples. The analysis method used is single linear regression analysis. In predicting intrinsic value of the stock, the method used is Dividen Discount Model (DDM) with Gordon Growth Model approach. By using regression analysis, this study provides evidence that intrinsic value have significant effect to stock market price. In addition, the research also shows that more overvalued stock than undervalued stock.

Keywords : Intrinsic Value, Stock Market Price, DDM, Gordon Growth Model