

**VALUATION STUDY OF BBKA, BMRI, AND BBNI SHARES BASED ON PRICE TO EARNINGS RATIO (PER) AND PRICE TO BOOK VALUE (PBV) APPROACHES FOR THE 2020-2024 PERIOD**

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**Abstract**

This study aims to analyze the stock valuation of PT Bank Central Asia Tbk (BBKA), PT Bank Mandiri Tbk (BMRI), and PT Bank Negara Indonesia Tbk (BBNI) based on the Price to Earnings Ratio (PER) and Price to Book Value (PBV) methods in the 2020-2024 period. This study uses a quantitative descriptive method, which aims to provide an overview of stock valuation by comparing the PER and PBV of each company against the average banking sector. The analysis results show that BBKA shares tend to be overvalued based on PER in 2020, 2022, and 2023, while in 2021 and 2024 they are undervalued. BMRI shares show a more volatile pattern with a tendency to be undervalued in 2021, 2023, and 2024, and overvalued in 2020 and 2022. BBNI shares are more often in an overvalued condition, especially in 2020, 2022, 2023, and 2024, with the exception of 2021 which is classified as undervalued. Based on PBV, BBKA shares were consistently overvalued throughout the study period, reflecting investors' high expectations of the company's performance and prospects. In contrast, BMRI and BBNI stocks are more often undervalued, which indicates investment potential for investors with a value investing strategy. This research provides implications for investors in making investment decisions in the banking sector by considering stock valuation analysis. In addition, this research can be a reference for the development of stock valuation studies with broader methods, such as Discounted Cash Flow (DCF) or EV/EBITDA, to obtain more comprehensive results.

**Keywords:** Stock Valuation, Price to Earnings Ratio (PER), Price to Book Value (PBV)

**INTRODUCTION**

The capital market has a strategic role in a country's economic development because it is a means of intermediation between capital owners and parties who need funds for business expansion (Queentana et al., 2024). In Indonesia, the capital market is growing as public awareness of the importance of long-term investment increases (Ananda et al., 2024). Stocks are one of the most popular investment instruments because they offer high profit potential. However, the stock price formed in the market does not always reflect the intrinsic value of the company. Market prices are often influenced by various factors, such as economic conditions, investor sentiment, and future expectations (Suryanto, 2016). Therefore, stock valuation is an important tool for investors to assess whether the price of a stock is undervalued, fair valued, or overvalued. By using the right valuation method, investors can make investment decisions that are more rational and based on the company's fundamental conditions (Fitriani & Rikumahu, 2023).

In fundamental analysis, stock valuation is carried out to determine the fair value of a stock based on the company's performance and financial position (Dewi et al., 2021). One of the most commonly used approaches in stock valuation is the relative financial ratio method, namely the Price to Earnings Ratio (PER) and Price to Book Value (PBV) (Saputra & Linda, 2023). PER reflects the relationship between the stock market price and earnings per share,

thus providing an idea of how many years of earnings are needed to return the investment made in the stock. This ratio provides an indicator of whether a stock is priced expensive or cheap compared to the profit generated by the company. Meanwhile, PBV is used to compare the stock market price to the book value of the company. A high PBV can indicate market optimism about the company's prospects, while a low PBV can signal undervaluation or can also reflect market concerns over the company's business performance. By combining both ratios, investors can gain a more comprehensive understanding of a stock's valuation position.

The banking sector is one of the most dominant and stable sectors in the Indonesian capital market. Among the various banking issuers, Bank Central Asia (BBCA), Bank Mandiri (BMRI), and Bank Negara Indonesia (BBNI) are the three largest banks that have significant contributions to the Jakarta Composite Index (JCI) and market capitalization. These three banks are known for their strong financial performance, extensive operational networks, and high level of trust from customers and investors. However, differences in business strategy, operational efficiency, and capital structure make their stock valuations vary. The period 2020 to 2024 is an interesting time to analyze because it covers the crisis period due to the COVID-19 pandemic and the economic recovery period. 2020 was the starting point of the shock to banking performance due to pressure on credit quality and profits, while the following years showed a recovery trend as national economic activity increased. This makes the five-year period very relevant to see how external conditions affect the stock valuations of major banks.

This study aims to analyze the stock valuation of BBCA, BMRI, and BBNI based on the PER and PBV ratios during the 2020-2024 period. The main objective is to identify whether the stock prices of the three banks reflect their fair value and how the valuations between these banks compare during this crucial period. With this approach, it is expected to know whether the three stocks are undervalued, fair valued, or overvalued, as well as what factors influence changes in PER and PBV values each year. This study is also expected to provide an overview of the performance efficiency and market perception of the fundamentals of each bank. In addition, this study can be a reference for institutional and individual investors in developing investment strategies based on objective fundamental valuation analysis.

Academically, this study is expected to contribute to the development of literature on stock valuation, especially in the context of the banking sector in Indonesia. The use of PER and PBV methods provides a practical but still relevant approach to assessing the fairness of stock prices. This research also has practical value for capital market players, financial analysts, and investment managers in making decisions based on measurable fundamental indicators. By considering the economic context in the 2020-2024 period, this study is not only a corporate financial evaluation tool but also a reflection of the dynamics of the Indonesian capital market after the pandemic. Therefore, the results of the study are expected to serve as a reference for the future.

### Problem Formulation

Based on the background that has been stated, the problem formulation in this study is as follows:

1. How are the valuation results of BBCA, BMRI, and BBNI shares based on the Price to Earnings Ratio (PER) and Price to Book Value (PBV) methods during the 2020-2024 period?
2. Are BBCA, BMRI, and BBNI stocks undervalued, fair valued, or overvalued based on PER and PBV analysis in each observation year?

3. How is the comparison of stock valuation levels between BBKA, BMRI, and BBNI when viewed through the PER and PBV approaches?

The purpose of this study is to analyze the stock valuation of leading banking companies in Indonesia, namely BBKA, BMRI, and BBNI, using the PER and PBV financial ratio approaches. Specifically, the objectives of this study are as follows:

1. Analyzing the value of Price to Earnings Ratio (PER) and Price to Book Value (PBV) on BBKA, BMRI, and BBNI stocks during the 2020-2024 period.
2. Determine the valuation conditions of BBKA, BMRI, and BBNI stocks whether they are undervalued, fair valued, or overvalued based on the results of PER and PBV analysis.
3. Comparing the level of stock valuation between the three banks based on the PER and PBV approaches in each year.

BBKA, BMRI, and BBNI Stock Valuation Study Based on Price to Earnings Ratio (PER) and Price to Book Value (PBV) Approaches for the 2020-2024 Period

### Concept of Stock Valuation

Stock valuation is the process of determining the fair value of a stock based on fundamental analysis. The main objective of stock valuation is to determine whether a stock is overvalued, undervalued, or fairly valued. Stock valuation is important for investors in making optimal investment decisions, especially in identifying profitable investment opportunities.

According to Damodaran (2012), stock valuation methods can be grouped into three main approaches, namely:

1. Discounted Cash Flow (DCF) Approach - Valuing stocks based on projected future cash flows discounted to current value.
2. Relative Valuation Approach - Comparing the valuation of a stock with similar stocks using certain financial ratios, such as Price to Earnings Ratio (PER) and Price to Book Value (PBV).
3. Asset-Based Valuation Approach - Calculates the value of a stock based on the net asset value of the company.

### Price to Earnings Ratio (PER)

Price to Earnings Ratio (PER) is a ratio that measures the share price of a company compared to earnings per share (EPS). PER is often used to assess whether a stock is expensive or cheap based on the company's earnings performance.

Mathematically, PER can be calculated with the formula:

$$PER = \frac{\text{Earnings Per Share (EPS)}}{\text{Stock Price}}$$

Where:

Stock Price is the market price of the stock in a certain period.

Earnings Per Share (EPS) is the company's net income divided by the number of shares outstanding.

### PER Interpretation:

A high PER indicates that investors are willing to pay more for each dollar of earnings generated, which could indicate high growth expectations or an overpriced valuation.

A low PER may indicate that the stock is undervalued or the company has lower growth prospects.

Factors that affect PER include the company's earnings growth rate, dividend policy, and market expectations of the company's business prospects.

### Price to Book Value (PBV)

Price to Book Value (PBV) is a ratio that compares the stock price of a company with its book value per share. PBV reflects how the market values the company's assets compared to its accounting book value.

The PBV calculation formula is as follows:

$$PBV = \frac{\text{Book Value Per Share}}{\text{Share Price}}$$

Where:

Stock Price is the market price of the stock at a certain period.

Book Value Per Share (BVPS) is calculated by dividing shareholders' equity by the number of shares outstanding.

Interpretation of PBV:

$PBV > 1$  indicates that the market values the company higher than its accounting book value, which could be due to good business prospects or valuable intangible assets.

$PBV < 1$  indicates that the market values the company lower than its book value, which may indicate that the company is experiencing financial problems or undervaluation.

## 4. Banking Stock Valuation with PER and PBV

The banking sector has special characteristics in stock valuation because most of its assets are financial assets such as loans and investments. According to previous research, banking stocks that have low PER and low PBV are often considered undervalued, while stocks with high PER and high PBV may indicate that the market has high expectations of the bank's performance. Large banks such as BBCA, BMRI, and BBNI generally have higher PBV ratios than other banks due to their brand value and dominant position in the Indonesian banking industry.

## 5. Empirical Studies on Banking Stock Valuation

Some previous studies that discuss the valuation of banking stocks using PER and PBV methods include:

- a. Rahmawati (2021) who examined the relationship between PER, PBV, and the financial performance of banks in Indonesia, found that high PER and PBV tend to correlate with better stock returns in the long run.

- b. Susanto & Widjaja (2020) which states that PER is more sensitive to earnings volatility than PBV in assessing the valuation of banking stocks.
- c. Rinaldi (2019) who examined the stock valuations of BBKA, BMRI, and BBNI, found that BBKA has a higher PBV than the other two banks due to its consistency in generating stable profits.

In this study, the valuation of BBKA, BMRI, and BBNI shares will be analyzed using the PER and PBV approaches for the 2020-2024 period. This analysis aims to provide an overview of how the valuation of the three banks' shares developed during the period and whether there are indications of overvaluation or undervaluation based on the financial ratios used.

## **METHOD**

### **1. Research Type and Approach**

This research is a quantitative descriptive study that aims to provide an overview of the valuation of BBKA, BMRI, and BBNI shares using the Price to Earnings Ratio (PER) and Price to Book Value (PBV) approaches. The descriptive approach is used to describe the condition of stock valuations during the 2020-2024 period without conducting hypothesis testing or statistical inference. The data used is quantitative because this research focuses on collecting and analyzing numerical data from financial reports and stock market prices.

### **2. Object of Research**

The objects in this study are the shares of three large banks classified as Commercial Bank Group (BUKU) IV, namely:

- a. PT Bank Central Asia Tbk (BBKA),
- b. PT Bank Mandiri (Persero) Tbk (BMRI),
- c. PT Bank Negara Indonesia (Persero) Tbk (BBNI).

These three banks were chosen because they are banks with large market capitalization, high liquidity on the Indonesia Stock Exchange, and have a significant influence on the financial sector index.

### **3. Source and Type of Data**

This research uses secondary data obtained from sources that are already available and officially published. The types of data used include:

- a. BBKA, BMRI, and BBNI annual closing stock prices for the 2020-2024 period.
- b. Annual financial statements (Annual Report) of each company.
- c. EPS (Earnings Per Share) and Book Value per Share (BVPS) data from financial reports or market data sources.
- d. Industry comparison data (if needed) to determine the valuation range that is considered reasonable.

Data sources are obtained from:

- a. The official website of the Indonesia Stock Exchange ([www.idx.co.id](http://www.idx.co.id)),
- b. Website of each issuer,

- c. Stock market data services such as RTI Business, Yahoo Finance, or Bloomberg (if needed as an additional reference).

#### 4. Data Collection Technique

Data collection techniques are carried out through documentation, namely by accessing and collecting relevant documents such as financial statements and stock price data during the research period. All data will be organized in tabular form to facilitate the analysis process.

#### 5. Data Analysis Technique

##### Stock Valuation with Earning Per Share (PER)

The steps are as follows:

1. Collect Required Data  
Before calculating PER, we need to collect some important data from financial statements and stock prices, namely:
  - a. Stock Price (obtained from the Indonesia Stock Exchange or stock platform).
  - b. Net Profit (can be found in the company's income statement).
  - c. Number of Shares Outstanding (can be found in the company's financial statements).
2. Calculate Earnings Per Share (EPS)
3. Interpret
  - a. High PER ( $>$  industry average)  $\rightarrow$  Investors are paying more for every dollar of profit generated. This could mean high growth expectations or an overvalued stock.
  - b. Low PER ( $<$  industry average)  $\rightarrow$  The stock may be undervalued or the company's growth prospects are less attractive.

##### Stock Valuation with Price to Book Value (PBV)

The steps are as follows:

1. Collect Required Data
2. To calculate PBV, we need the following data:
  - a. Share Price (from Indonesia Stock Exchange or stock app).
  - b. Shareholders' Equity (found in the company's statement of financial position).
  - c. Number of Shares Outstanding (can be found in the company's financial statements).
3. Calculate Book Value Per Share (BVPS)  
PBV is calculated by comparing the share price to the book value per share.
4. Compare with Sector Average PBV
  - a. If BBCA's PBV is higher than the banking sector average, it means that investors have high expectations of BBCA's performance.
  - b. If it is lower, it could be an indication of undervaluation or greater business risk.

#### Combination of PER and PBV Results

To give a more complete picture of the two approaches above, please see the following table:

**Table 1: Interpretation of Stock Valuation with PER and PBV Methods**

PER	PBV	Interpretasi
High	High	Expensive stocks (overvalued), high expectations
Low	Low	Cheap stock (undervalued), could be an investment opportunity



PER	PBV	Interpretasi
High	Low	It may be that the company has high profits but low book value
Low	High	Could be low earnings but high asset value

#### Consider External Factors

1. Interest rates: If interest rates rise, banking stocks could come under pressure, so PER and PBV could change.
2. Government policies: Banking regulations can affect banks' earnings and book value.
3. Economic conditions: Recession or high economic growth can affect overall stock valuations.

## RESULTS

Based on the data obtained and calculations carried out, the following results are obtained:

**Table: 2. Results of Stock Price Valuation Using the Price Earning Ratio (PER) Method  
Period 2020-2024**

Stock Code	Year	Market Price	PER	Sector Average	Stock Valuation
BBCA	2020	Rp33.850,00	30,44	10,22	<i>overvalued</i>
	2021	Rp7.300,00	28,34	23,84	<i>Undervalued</i>
	2022	Rp8.550,00	25,61	15,04	<i>overvalued</i>
	2023	Rp9.400,00	23,58	15,27	<i>overvalued</i>
	2024	Rp7.900,00	17,58	17,87	<i>Undervalued</i>
BMRI	2020	Rp6.325,00	17,39	10,22	<i>overvalued</i>
	2021	Rp7.025,00	11,58	23,84	<i>Undervalued</i>
	2022	Rp9.925,00	22,27	15,04	<i>overvalued</i>
	2023	Rp6.050,00	10,15	15,27	<i>Undervalued</i>
	2024	Rp4.410,00	7,30	17,87	<i>Undervalued</i>
BBNI	2020	Rp6.175,00	30,18	10,22	<i>overvalued</i>
	2021	Rp6.750,00	25,37	23,84	<i>Undervalued</i>
	2022	Rp9.225,00	23,78	15,04	<i>overvalued</i>
	2023	Rp5.375,00	29,56	15,27	<i>overvalued</i>
	2024	Rp3.770,00	27,38	17,87	<i>overvalued</i>

**Source: Data Processed 2025**

#### Valuation Analysis of BBCA, BMRI, and BBNI Shares Based on PER

Stock valuation with the Price to Earnings Ratio (PER) approach is one of the methods widely used in fundamental analysis to assess the feasibility of a company's share price. PER illustrates how much investors are willing to pay for each unit of the company's net income. If the PER value of a stock is higher than the sector average, then the stock can be categorized as overvalued, otherwise if it is lower it is classified as undervalued. In this study, an evaluation was carried out on the shares of three large banks, namely PT Bank Central Asia Tbk (BBCA), PT Bank Mandiri Tbk (BMRI), and PT Bank Negara Indonesia Tbk (BBNI) for the period 2020-2024. The results of the analysis show that the PER value of the three stocks fluctuates annually and reflects the dynamics between market prices and corporate earnings performance.

BBCA stock shows valuation characteristics that tend to be above the sector average, especially in 2020, 2022, and 2023, so it is categorized as overvalued. This reflects that investors have high expectations for the performance and growth prospects of BBKA, which is known as a bank with high operational efficiency, good business stability, and strong technological innovation. Although in 2021 and 2024 BBKA shares are undervalued, this indicates market dynamics that may be influenced by external factors such as macroeconomic pressures or market price corrections. However, in general, BBKA is still seen as a premium stock in the banking sector that is the top preference for institutional and individual investors.

In contrast to BBKA, BMRI shares tend to show a more balanced valuation with an undervalued trend in 2021, 2023, and 2024. This indicates that BMRI's share price is relatively lower than the value of earnings generated, which can provide opportunities for investors who adopt a value investing strategy. On the other hand, in 2020 and 2022, BMRI shares are overvalued, which is likely due to increased market demand and expectations of long-term financial performance. Overall, the fluctuating valuation of BMRI shares illustrates the potential for growth that can be utilized by investors, especially when the market does not fully reflect the fundamental value of the company (Ridwansyah & Anggraeni3, 2023).

Meanwhile, BBNI shares during the observation period were more often in an overvalued condition, especially in 2020, 2022, 2023, and 2024. Only in 2021 BBNI shares were categorized as undervalued. This shows that BBNI's stock price is relatively high compared to the profit generated, which indicates considerable market expectations of the company's growth potential. However, the high PER also indicates the risk of overpricing if it is not offset by commensurate earnings growth. Therefore, investors need to pay close attention to fundamental supporting factors such as profitability, operational efficiency, and the company's business strategy. This finding confirms that the PER approach as a stock valuation analysis tool can assist investors in assessing whether the stock price is at a reasonable level or not, and become the basis for making more rational and data-based investment decisions (Hermawan et al., 2024).

**Table 4. Stock Price Valuation Results Using the Price Book Value (PBV) Method  
Period 2020-2024**

Stoch Code	Year	Market Price	PBV	Sector Average	Stock Valuation
BBKA	2020	Rp33.850,00	4,47	2,09	<i>Overvalued</i>
	2021	Rp7.300,00	4,39	3,97	<i>Overvalued</i>
	2022	Rp8.550,00	4,72	1,28	<i>Overvalued</i>
	2023	Rp9.400,00	4,73	0,90	<i>Overvalued</i>
	2024	Rp7.900,00	3,67	1,87	<i>Overvalued</i>
BMRI	2020	Rp6.325,00	1,51	2,09	<i>Undervalued</i>
	2021	Rp7.025,00	1,46	3,97	<i>Undervalued</i>
	2022	Rp9.925,00	1,82	1,28	<i>Overvalued</i>
	2023	Rp6.050,00	1,94	0,90	<i>Overvalued</i>
	2024	Rp4.410,00	1,30	1,87	<i>Undervalued</i>
BBNI	2020	Rp6.175,00	1,16	2,09	<i>Undervalued</i>
	2021	Rp6.750,00	0,98	3,97	<i>Undervalued</i>
	2022	Rp9.225,00	1,21	1,28	<i>Undervalued</i>
	2023	Rp5.375,00	1,28	0,90	<i>Overvalued</i>
	2024	Rp3.770,00	0,83	1,87	<i>Overvalued</i>

Source: Data Processed 2025



### Valuation Analysis of BBKA, BMRI, and BBNI Shares Based on Price to Book Value (PBV)

The Price to Book Value (PBV) approach is one of the fundamental indicators commonly used in analyzing stock valuations. PBV measures the ratio between the stock market price and the book value per share of a company. A high PBV value indicates that the stock price is trading higher than its book value, which can be interpreted as overvalued. Conversely, if the PBV is lower than the sector average, the stock is potentially undervalued and attractive as an investment instrument. In this study, an evaluation of the stock valuation of PT Bank Central Asia Tbk (BBKA), PT Bank Mandiri Tbk (BMRI), and PT Bank Negara Indonesia Tbk (BBNI) for the period 2020-2024 was carried out by comparing the PBV of each stock against the average banking sector.

The analysis results show that BBKA shares consistently have a high PBV value and are above the sector average during the observation period. In 2020 to 2024, BBKA's PBV values were 4.47; 4.39; 4.72; 4.73; and 3.67, respectively, while the sector average was in the range of 2.09; 3.97; 1.28; 0.90; and 1.87. Thus, BBKA shares are categorized as overvalued for five consecutive years. This condition reflects investors' positive perception of the company's performance and reputation, where BBKA is known as a bank with solid financial fundamentals, high operational efficiency, and stable growth. The recurring overvalued state indicates that the market places a premium on BBKA's competitive advantages and long-term prospects, making it a premium stock in the national banking sector.

In contrast to BBKA, BMRI stock shows a more volatile valuation pattern. In 2020 and 2021, BMRI's PBV was 1.51 and 1.46, lower than the sector average, making it undervalued. However, in 2022 and 2023, the PBV value increased to 1.82 and 1.94, exceeding the sector average which indicates an overvalued condition. Furthermore, in 2024 PBV decreased to 1.30 and was again lower than the sector average of 1.87, which means the stock is undervalued again. The movement of the PBV value of BMRI shares reflects market dynamics towards the company's profit performance and share price. When in an undervalued position, this stock can be a promising investment alternative for investors with a value investing approach, because the market price does not yet reflect the company's fundamental value optimally.

BBNI shares show a tendency to have a relatively lower PBV than BBKA and BMRI. In 2020 to 2022, the PBV values were at 1.16; 0.98; and 1.21, all of which were below the sector average, indicating undervalued conditions. However, in 2023 and 2024, PBV increased to 1.28 and 0.83, where in 2023 PBV was higher than the sector average and thus classified as overvalued. The fluctuation in PBV indicates that BBNI shares had received greater attention from the market, but still had a tendency to be below book value, so it became an investment opportunity for investors looking for stocks with a high margin of safety. Thus, the PBV approach in this study is able to provide a comprehensive picture of the valuation position of banking stocks against their intrinsic value. This finding can be used as a basis for consideration in making investment decisions, especially in developing a portfolio strategy based on fundamental analysis.

### CONCLUSION

Based on the results of the stock valuation analysis of PT Bank Central Asia Tbk (BBKA), PT Bank Mandiri Tbk (BMRI), and PT Bank Negara Indonesia Tbk (BBNI) using the Price to Earnings Ratio (PER) and Price to Book Value (PBV) methods in the 2020-2024 period, several important findings were obtained:

1. Stock Valuation Based on PER
  - a. BBCA shares are mostly in an overvalued condition (2020, 2022, and 2023), except in 2021 and 2024 which are in the undervalued category. This reflects investors' high expectations of BBCA's performance, despite market dynamics that caused its share price to correct in certain years.
  - b. BMRI shares show a more volatile pattern, with undervalued conditions in 2021, 2023, and 2024, while in 2020 and 2022 they fall into the overvalued category. This indicates that BMRI shares are often traded below their fair value, providing opportunities for long-term investors.
  - c. BBNI shares are more often in overvalued conditions (2020, 2022, 2023, and 2024), except in 2021. This shows that BBNI's share price tends to be higher than the profit generated, which can be caused by investor optimism about its business prospects.
2. Stock Valuation Based on PBV
  - a. BBCA shares are consistently overvalued throughout 2020–2024, with PBV well above the sector average. This reflects the market's strong perception of the company's fundamentals and its position as the best-performing bank in Indonesia.
  - b. BMRI shares have fluctuated, with undervalued status in 2020, 2021, and 2024, and overvalued in 2022 and 2023. This shows that BMRI has attractive investment potential, especially when it is undervalued.
  - c. BBNI shares tend to be undervalued in 2020–2022, but become overvalued in 2023 and 2024. This shows that there is a long-term investment opportunity in BBNI shares when PBV is lower than the sector average.

Overall, BBCA shares are more often valued higher than their fundamentals, while BMRI and BBNI have a greater opportunity for investors looking for undervalued shares based on PER and PBV.

#### Suggestions

1. For Investors:
  - a. BBCA shares can be a long-term investment option for investors looking for stability and growth, but need to consider the risk of overvaluation.
  - b. BMRI and BBNI shares are more suitable for investors with a value investing strategy, because they often have lower valuations than their fundamental values.
  - c. A combination of PER and PBV analysis needs to be used together with other factors such as financial performance, profit growth, and macroeconomic conditions before making investment decisions.
2. For Further Researchers:
  - a. This research can be developed by adding other valuation methods, such as Discounted Cash Flow (DCF) or EV/EBITDA, to obtain more comprehensive results.
  - b. Further analysis can be carried out by considering external factors such as monetary policy, inflation, and developments in the banking sector to see their impact on stock valuation.
3. For Banking Companies:
  - a. BBCA needs to ensure that profit growth is in line with market expectations so that it is not overvalued.
  - b. BMRI and BBNI can increase their investor appeal by improving operational efficiency and profitability so that their valuations better reflect the company's fundamental potential.

By considering the above factors, investors can make more rational and data-based investment decisions to maximize their profit potential in the stock market

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