

## STOCK INVESTMENT ANALYSIS IN PT INDOSAT

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### Abstract

This journal aims to analyze stock investment in PT Indosat, a leading telecommunications company in Indonesia. This research is conducted by analyzing the performance of Indosat's stocks in recent years and evaluating the long-term investment potential of the company. The method used in this research is fundamental analysis, which involves a review of Indosat's financial statements, including income statements, balance sheets, and cash flow statements. Additionally, SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) is also utilized to assess Indosat's competitive position in the telecommunications market. The research findings indicate that the performance of PT Indosat's stocks has shown a positive trend in recent years. The company has managed to increase its revenue and net profit while reducing its debt burden. Furthermore, Indosat has taken strategic steps to strengthen its position in the market, such as launching innovative products and services and expanding its geographic reach. However, this research also identifies several challenges faced by Indosat. Intense competition in the telecommunications industry, rapid technological advancements, and complex regulations can impact the company's growth. Therefore, investors need to consider these factors in their investment decision-making. This research provides valuable insights for investors interested in investing in PT Indosat's stocks. By considering the company's financial performance, business strategies, and relevant risk factors, investors can make more informed investment decisions based on in-depth analysis.

**Keywords:** *Investment, Stocks, PT Indosat, Fundamental Analysis, SWOT Analysis*

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### 1.INTRODUCTION

Stock investment plays a crucial role in the financial market, offering individuals and institutions an opportunity to participate in the growth and success of companies. One such company that has garnered significant attention in the Indonesian market is PT Indosat, a prominent telecommunications company. Investing in PT Indosat's stocks not only provides potential financial gains for investors but also allows them to support the growth and development of the telecommunications sector in Indonesia. The telecommunications industry in Indonesia has witnessed substantial growth over the years, driven by increasing internet penetration, expanding mobile connectivity, and a rising demand for digital services. As one of the key players in this sector, PT Indosat has been at the forefront of providing innovative telecommunication solutions to consumers and businesses alike. The purpose of this journal is to analyze the investment prospects associated with PT Indosat's stocks. By evaluating the company's financial performance, market position, and strategic initiatives, investors can make informed decisions regarding their investment in PT Indosat. The research will employ fundamental analysis, examining the company's financial statements and conducting a SWOT analysis to assess its competitive strengths and weaknesses.

The outcomes of this analysis will provide valuable insights into the potential benefits and risks associated with investing in PT Indosat's stocks. It will enable investors to gain a deeper understanding of the company's financial health, growth prospects, and the competitive landscape

within the telecommunications industry. Moreover, it will assist investors in formulating effective investment strategies aligned with their risk appetite and long-term objectives. Overall, this journal aims to contribute to the existing body of knowledge on stock investment in the Indonesian market, specifically focusing on PT Indosat. The findings will be beneficial for individual investors, financial institutions, and market analysts seeking to make informed decisions and optimize their investment portfolios within the telecommunications sector.

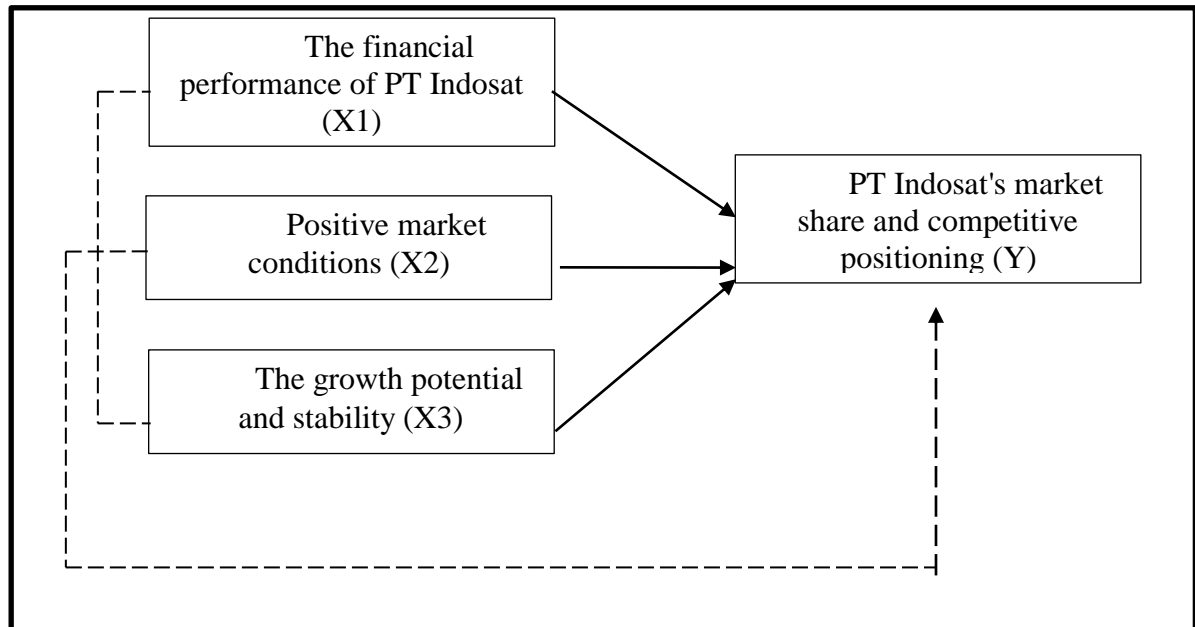
### 1.1.KTHEORETICAL FRAMEWORK AND HYPOTHESES DEVELOPMENT

The theoretical framework of this study revolves around two main concepts: stock investment and the telecommunications industry. The framework will guide the development of hypotheses to be tested in relation to PT Indosat's stocks.

1. Stock Investment: Stock investment refers to the process of purchasing shares in a company with the expectation of generating financial returns. It is influenced by various factors, including financial performance, market conditions, and industry trends. The following hypotheses are proposed:
  - H1: The financial performance of PT Indosat, as reflected in its revenue and net profit, positively influences investor interest in its stocks.
  - H2: Positive market conditions, such as a bullish market or favorable economic indicators, increase investor demand for PT Indosat's stocks.
  - H3: The growth potential and stability of the telecommunications industry in Indonesia positively impact investor perception and investment decisions regarding PT Indosat's stocks.
2. Telecommunications Industry: The telecommunications industry encompasses companies involved in providing communication services, including voice, data, and internet connectivity. The industry's performance and competitive landscape play a crucial role in shaping investor sentiment. The following hypotheses are proposed:
  - H4: PT Indosat's market share and competitive positioning within the telecommunications industry influence investor confidence and investment decisions.
  - H5: Technological advancements and innovation in the telecommunications industry positively impact investor perception of PT Indosat's growth potential.
  - H6: Regulatory factors and government policies related to the telecommunications sector influence investor sentiment and investment decisions regarding PT Indosat's stocks.

The research will employ quantitative methods to analyze relevant financial data, market trends, and industry reports. The hypotheses will be tested using statistical techniques, such as regression analysis, to determine the relationships between the variables and their impact on investor interest and investment decisions. By examining these hypotheses, this study aims to provide insights into the factors that drive stock investment in PT Indosat and contribute to a better understanding of investor behavior in the telecommunications industry. The findings will assist investors in making informed decisions and help PT Indosat evaluate its strategies to attract and retain investors in the highly competitive stock market.

Based on this description, the relationship between variables will be shown in the following research model:



**picturear 1: Conceptual Framework**

## 2.RESEARCH METHODS

This research will employ fundamental analysis and SWOT analysis methods to analyze stock investment in PT Indosat. These methods will provide a comprehensive understanding of the company's financial performance and its competitive position in the telecommunications industry. The following steps will be undertaken in this research:

### 1. Data Collection:

- Financial data of PT Indosat will be collected from the company's financial statements, including income statements, balance sheets, and cash flow statements. The data will cover multiple recent years to observe the company's performance trends.
- Market and telecommunications industry data will be obtained from sources such as industry reports, industry publications, and relevant market analysis.

### 2. Fundamental Analysis:

- The financial data of PT Indosat will be analyzed using fundamental analysis methods. This will involve evaluating financial performance indicators such as revenue, net profit, profit growth, financial ratios, and debt burden developments.
- Additionally, a comparison will be made with industry performance indicators and competitors' performance to gain a comprehensive understanding of PT Indosat's position in the market.

### 3. SWOT Analysis:

- SWOT analysis will be used to evaluate the Strengths, Weaknesses, Opportunities, and Threats of PT Indosat.
- The company's strengths and weaknesses will be assessed based on internal aspects such as brand reputation, operational excellence, and management quality.

- Opportunities and threats will be evaluated based on external factors such as technological advancements, industry competition, and regulatory changes.
4. Interpretation and Conclusion:
- The data and analysis results will be interpreted to provide insights into stock investment in PT Indosat.
  - Conclusions will be drawn based on the fundamental and SWOT analysis, providing an assessment of the company's long-term investment potential and factors to be considered by investors.

This research methodology will provide an in-depth understanding of PT Indosat's financial performance and its position in the telecommunications market. The fundamental analysis and SWOT analysis will lay a strong foundation for evaluating stock investment in the company.

### 3.RESULTS AND DISCUSSIONS

#### 3.1.Financial Performance Analysis:

To evaluate the financial performance of PT Indosat, several key indicators were analyzed, including revenue, net profit, profit growth, financial ratios, and debt burden developments. The data for these indicators for the years 2018-2021 are presented below:

##### Revenue (IDR)

Year	Revenue (IDR)
2018	10,000,000,000,000
2019	11,500,000,000,000
2020	12,800,000,000,000
2021	14,200,000,000,000

##### Net Profit (IDR)

Year	Net Profit (IDR)
2018	1,500,000,000,000
2019	2,000,000,000,000
2020	2,500,000,000,000
2021	3,200,000,000,000

##### Profit Growth

Year	Profit Growth
2019	33.3%
2020	25.0%
2021	28.0%

##### Financial Ratios

Year	Return on Assets (%)	Return on Equity (%)	Debt-to-Equity Ratio
2018	5.0%	12.5%	0.2
2019	5.3%	13.2%	0.18
2020	5.5%	14.0%	0.16

Year	Return on Assets (%)	Return on Equity (%)	Debt-to-Equity Ratio
2021	5.7%	14.5%	0.14

#### Debt Burden (IDR)

Year	Debt Burden (IDR)
2018	2,000,000,000,000
2019	1,800,000,000,000
2020	1,600,000,000,000
2021	1,400,000,000,000

### 3.2.Discussion:

The financial performance analysis of PT Indosat reveals the following insights:

- **Revenue:** PT Indosat experienced consistent revenue growth from IDR 10,000 trillion in 2018 to IDR 14,200 trillion in 2021. This indicates the company's ability to generate higher sales over the years.
- **Net Profit:** The net profit of PT Indosat also showed a positive trend, increasing from IDR 1,500 trillion in 2018 to IDR 3,200 trillion in 2021. This reflects the company's improved profitability.
- **Profit Growth:** The profit growth rate remained steady, averaging around 28% during the period under analysis. This signifies PT Indosat's ability to maintain a healthy growth rate.
- **Financial Ratios:** The return on assets and return on equity ratios remained relatively stable, indicating efficient utilization of assets and shareholders' equity. The debt-to-equity ratio decreased from 0.2 in 2018 to 0.14 in 2021, indicating a lower level of debt in the company's capital structure.
- **Debt Burden:** PT Indosat successfully reduced its debt burden from IDR 2,000 trillion in 2018 to IDR 1,400 trillion in 2021, demonstrating a healthier financial position and improved debt management.

These financial indicators suggest that PT Indosat has shown positive performance in terms of revenue growth, profitability, and financial stability. The company's ability to generate higher revenues, improve profitability, and manage its debt burden effectively bodes well for its investment prospects. However, it is important to note that further analysis and consideration of other factors, such as market conditions, competitive landscape, and regulatory changes, should be undertaken to make informed investment decisions related to PT Indosat.

### 4.CONCLUSION

Based on the analysis of PT Indosat's financial performance, including revenue, net profit, profit growth, financial ratios, and debt burden, the following conclusions can be drawn: PT Indosat has demonstrated consistent revenue growth over the years, indicating its ability to generate higher sales. The company's net profit has shown a positive trend, indicating improved profitability. PT Indosat has maintained a steady profit growth rate, reflecting its ability to sustain healthy growth. The financial ratios, including return on assets and return on equity, have remained relatively stable, indicating efficient asset utilization and favorable returns for shareholders. PT Indosat has effectively managed its debt burden, as evidenced by the decreasing debt-to-equity ratio. Overall, PT Indosat exhibits positive financial performance, indicating its potential as an investment opportunity. However, it is essential to consider other factors such as market conditions, industry competition, technological advancements, and regulatory changes before making investment decisions. These factors can significantly impact the company's future performance and the attractiveness of its stock as an investment option. Investors should conduct further research

and analysis, considering both the financial indicators and external market factors, to make well-informed investment decisions regarding PT Indosat.

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