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The Application of the Capital Asset Pricing Model (CAPM) Method as a Basis for Investment Decision Making in LQ45 Index Stocks on the Indonesia Stock Exchange for the Period 2019-2023

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ABSTRACT

In the world of investment, investors must be able to identify investment opportunities that provide returns so that they can generate optimal levels of return with minimal risk. This study aims to analyze stock investment decisions using the Capital Asset Pricing Model (CAPM) using the LQ45 Index as a market proxy.

This type of research is descriptive research with quantitative methods. The data source used is secondary data, namely monthly closing price data. The sampling in this study was determined using purposive sampling, out of 45 companies included in the LQ45 index, only 23 companies met the criteria and became a research sample. The data analysis method was used using the Capital Asset Pricing Model (CAPM) method to classify undervalued and overvalued stocks using Microsoft Excel 2016.

The results of the calculation of the rate of return of individual shares (Ri) resulted in an average of 0.00506, with the largest return owned by ANTM shares and the lowest by INDF shares. The average systematic risk is worth more than 1, which is 1.25, so in general, the 23 shares of the companies used as research samples have high systematic risk and tend to be active in responding to market price changes. Based on the data analysis, there is a nonlinear relationship between systematic risk (β) and the expected rate of return on shares [E(Ri)]. Of the 23 company stocks that were the research sample, there were 12 company stocks that were included in the undervalued category, namely, ADRO, ANTM, BBCA, BBNI, BBRI, BBTN, BMRI, CPIN, EXCL, INCO, INKP, ITMG. Meanwhile, there are 11 company stocks that are in the overvalued category, namely, ASII, ICBP, INDF, INTP, KLBF, PGAS, PTBA, SMGR, TLKM, UNTR, UNVR.

Keywords: Risk, Return, Undervalued, Overvalued, CAPM

INTRODUCTION

Financial In investment activities, investors must be able to identify investment strategies that provide a high return on investment and can generate optimal returns with minimal risk. Investing in the capital market is to use a mode-l-mode to balance that reduces the risk and the expected level of return. One of the methods used is the Capital Asset Pricing Mode (CAPM), which is a balance sheet mode designed to estimate the resumption of the risk in a balanced market condition. CAPM feeds the mode of fundamental in a theory that allows for re-investments, which are based on market risks represented by the market.[1]

Under equilibrium market conditions (equibillionm), the investment rate of the stock is determined by the level of risk that the stock has. Based on the CAPM method, the expected return [E(Ri)] is calculated based on three components. i.e. market return (Rm), return bebas risk (Rf), and systemic risk (β). The CAPM mode is designed to provide an analysis that examines the relationship between the risk of exposure and the desired rate of return, using the fair price value of the stock and selecting the optimal stock as an investment.[2]

In the CAPM mode, the relationship between risk and rebound is depicted throughi Security Market Line (SML). As part of the Capital Assistance Pricing Mode (CAPM), SML allows investors to invest in stocks that are in good condition under the condition of undervalued and pun overvalued. If the stock is atu a stock that is considered to be worth a lot of money, then it means that the market price of the stock is going to be fair value to the point where it becomes a signal for investors to do the same. On the other hand, stocks that are valued at ndervalued mean that the market price is still slightly below the value it should be until it is considered worth buying. Investore is used to take advantage of this information because stocks are associated with stocks that are eficial, while other stocks are considered not to be eficialized and are attracted in a way that is inexpensive.[3]

You can get a few tips on how to address the Capital Adequacy Pricing Mode (CAPM) with a group of stocks that are both in the market and in the U.S. The research carried out by Safira Putriaji from 29 shares of the company , the company of the company, and the company, acquired 23 shares of the company, and 6 shares of the company.[4] The investigation carried out by Arief Rio Maulana who stated that the shares of Bank Rakyat Indonesia (BBRI) have a category of shares that are efisien, with a value of Ri Emiten > E(Ri).[5] The research carried out by Nurain Hasan et al from 19 stocks in the Business Index-27 which resulted in 11 stocks that were valued by 11 stocks that were valued and 8 shares were valued by the company.[6] The research carried out by Ajeng Sundari from 5 shares of the Surusahaan Sub Sektor Cosmetics and Kerluan Rumah Ladder which resulted in 1 share of the company's 1 share of the company's stock and 4 shares of the company's shares.[7]

In this study, we used data collected from the Indonesian Securities and Exchange Commission (BEI), with a focus on stocks listed in the LQ45 Index. The LQ45 index was first liquidated on 24 February

[1] Elly Susanti, Astuti Astuti, and Supitriyani Supitriyani, "Investing Decisions Using the Method *Capital Asset Pricing Model* (CAPM) in LQ45 Index Companies for the Period 2015 – 2019," *Journal of Accounting and Taxation* 21, no. 02 (2021). pp. 283–289.

[2] Herlianto said, *Investment Management Plus Techniques for Detecting Fraudulent Investments* (Yogyakarta: Gosyen Publishing, 2013). p. 52.

[3] I Wayan Sunarya, "Application *Capital Asset Pricing Model* (CAPM) On investment decisions in the LQ45 index for the 2017-2019 period," *Muara Journal of Economics and Business* 4, no. 1 (2020). pp. 40–53.

[4] Safira Putriaji, "'Capital Asset Pricing Model (CAPM) Analysis on Investment Decisions in the Property and Real Estate Sub-Sectors Listed on the Indonesia Stock Exchange (IDX) for the 2011-2020 Period'" (Pakuan University Bogor, 2021).

[5] Arief Rio Maulana, "CAPM Analysis in Banking Investment Taking (Case Study of PT. Bank Rakyat Indonesia Tbk)," *JAAKFE UNTAN (Journal of Audit and Accounting, Faculty of Economics, Tanjungpura University)* 12, no. 2 (2023): 186.

[6] Nurain Hasan, Frendy A. O. Pelleng, and Joanne V. Mangindaan, "Analysis of the Capital Asset Pricing Model (CAPM) as a Basis for Stock Investment Decision Making (Study on the Business Index-27 on the Indonesia Stock Exchange)," *Journal of Business Administration* 8, no. 1 (2019): 36–43, https://doi.org/10.35797/jab.8.1.2019.23498.36-43.

[7] Ajeng Sundari, "The Application of the Capital Asset Pricing Model Method as a Basis for Determining Investment in Stocks (Case Study" (State Islamic University of North Sumatra Medan, 2021).

1977 by the Indonesian Securities and Exchange Commission (BEI) and made up an independent stock of 45 selected stocks that accounted for a number of critical investments, including high liquidity, significant market capitalization, The condition of the company is good, as well as a promising prospect. The Indonesian Securities and Exchange Commission (BEI) has a strategy to conduct a review of the stocks listed in the LQ45 Index and to conduct stock replacements on the February and August 2010 basis to ensure that the stock market performs well in the market.[8]

METHOD

In The research used in this research is descriptive with a quantitative approach. This research methodology describes the nature of the research at the time of the research and examines each chapter of the research.[9] This research is not intended to be used to determine the value ne of the variable without using a comparison or a variable, only to describe the value of the variable. in this study, we look for a picture of how to take a picture of the situation with the CAPM index in the LQ45 index. This research uses a lot of data obtained from the Yahoo Finance and Indonesia Stock Exchange websites.

The stock in this market is the stock whose shares have been in the LQ45 index for the past 2019-2023. The samples used in this survey are stocks listed on LQ45 between 2019-2023. The Sampling technique is the technique used in this type of sampling. This data analysis technique uses the Capital Assistance Pricing Mode. Analysis of the CAPM methodology in the process of invective analysis is carried out in the following ways:

1. Provide stock data that is included in the LQ45 Index in February 2019-2023, i.e. closing price data at the end of the month.
2. Determining the Rate of Return on Individual Shares (RI)

The rate at which an individual stock is repaid or return The Return of the Dollar Is Worth return That is the Return The reclassification is calculated based on historical data. Rumus beta menurut Hartono is:[10]

$$R_i = \frac{P_t - P_{t-1}}{P_{t-1}}$$

To information:

R_i = return shares i

P_t = Closing Price (Closing Price) periode t

P_{t-1} = share price (closing price) periode sebelum

3. A Return on Investment (RM)

The market rate of return is the rate at which the return of the stock is based on the growth of the stock price. The market is not dependent on the use of JCI data, because this indicator is used to increase the value of the stock.The market return rate of the Hartono market is:[11]

$$R_m = \frac{IHSG_t - IHSG_{t-1}}{IHSG_{t-1}}$$

To information:

R_m = The rate of return on the market

$IHSG_t$ = Indeks stock price periode t

$IHSG_{t-1}$ = Indeks stock price t-1

4. Calculating the risk free rate (Rf)

The risk rate of return is the rate of return on a financial asset that is not risky. The basis of the

[8] Sri Mintarti & Maryam Nadir Musdalifah Azis, *Investment Management* (Yogyakarta: Deepublish, 2015). p. 343.

[9] Prof. Ma'ruf Abdullah, *Quantitative Research Methods*, *Aswaja Pressindo* (Yogyakarta: Aswaja Pressindo, 2015). p. 220

[10] "Dear Yogyakarta, *Portfolio theory and investment analysis*, Kese Edition (Yogyakarta: BPFE, 2017). *Portfolio Theory and Investment Analysis*, Eleventh Edition (Yogyakarta: BPFE, 2017). p. 428.

[11] Hartono Jogiyanto. *Portfolio Theory and Investment Analysis*, Eleventh Edition (Yogyakarta: BPFE, 2017). p. 428.

calculation used in this rate of return is the rate of interest calculated by Bank Indonesia, namely. BI Rate.

$$Rf = \frac{\sum_1^n = \text{tingkat suku bunga SBI}}{n}$$

5. Calculating the beta of each stock

Beta (β) is a system risk assessment of the suatu onekuritas or Portfolio Relatif is in the market. A (β) is a relationship between the stock and the market (the stock is the same as the stock itself). Rumus beta menurut Hartono is:[12]

$$\beta_i = \sum_{t=1}^{N} \frac{(R_i - \bar{R}_ı)(R_m - \overline{R_m})}{(R_m - \overline{R_m})^2}$$

To information:

β_i = Beta sekuritas
R_i = Return realization sekuritas ke-i
$\bar{R}_ı$ = Average return realization of akuritas to-i
R_m = Return market
$\overline{R_m}$ = Average market return
N = Amount of data

6. Calculates the expected intake rate [E(Ri)] bebased on the CAPM

Capital Asset Pricing Model (CAPM) merufeed a mode that allows between required rate of return From the level of risk that is associated with the amount of risk that is being taken by the CAPM, CAPM is able to distinguish between the two types of return and beta. The expected take-up rate for Hartono is:[13]

$$E(R_i) = R_f + \beta_i[E(R_m) - R_f]$$

To information:

$E(R_i)$ = Expected pengereturn rate / expected return
Rf = Risk free rate / Risk return rate
β_i = Systemic risk (beta)
$E(R_m)$ = Average market return rate

RESULTS

1. Results of Individual Stock Return Rate (Ri) Analysis

Data The rate of return on individual shares is determined by determining the difference between the price of a stock on a regular basis (t-1) and the price of a stock on a monthly basis (t-1), the percentage of the proceeds divided by the price of a stock per month (t-1).

Table 4.1 Results of Stock Prices (Ri) 2019-2023

No.	Company Code	Company Name	Ri	Percentage
1	ADRO	Adaro Energy Indonesia Tbk.	0.0194	1.94%
2	ANTM	Aneka Tambang Tbk.	0.0255	2.55%
3	ASII	Astra International Tbk.	-0.0023	-0.23%
4	BBCA	Bank Central Asia Tbk.	0.0113	1.13%
5	BBNI	Bank Negara Indonesia (Persero) Tbk.	0.0096	0.96%
6	BBRI	Bank Rakyat Indonesia (Persero) Tbk.	0.0121	1.21%
7	BBTN	Bank Tabungan Negara (Persero) Tbk.	0.0115	1.15%
8	BMRI	Bank Mandiri (Persero) Tbk.	0.0117	1.17%

[12] Hartono Jogiyanto. *Portfolio Theory and Investment Analysis*, Eleventh Edition (Yogyakarta: BPFE, 2017). p. 428.

[13] Hartono Jogiyanto. *Portfolio Theory and Investment Analysis*, Eleventh Edition (Yogyakarta: BPFE, 2017). p. 428.

9	CPIN	Charoen Pokphand Indonesia Tbk.	0.0028	0.28%
10	EXCL	XL Axiata Tbk.	0.0055	0.55%
11	ICBP	Indofood CBP Sukses Makmur Tbk.	0.0023	0.23%
12	INCO	Vale Indonesia Tbk.	0.0124	1.24%
13	INDF	Indofood Sukses Makmur Tbk.	-0.0005	-0.05%
14	INKP	Indah Kiat Pulp & Paper Tbk.	0.0036	0.36%
15	INTP	Indocement Tunggal Prakarsa Tbk.	-0.0074	-0.74%
16	ITMG	Indo Tambangraya Megah Tbk.	0.0146	1.46%
17	KLBF	Kalbe Farma Tbk.	0.0027	0.27%
18	PGAS	Perusahaan Gas Negara Tbk.	-0.0013	-0.13%
19	PTBA	Bukit Asam Tbk.	-0.0042	-0.42%
20	SMGR	Semen Indonesia Tbk.	-0.0043	-0.43%
21	TLKM	Telkom Indonesia (Persero) Tbk.	0.0028	0.28%
22	UNTR	United Tractors Tbk.	0.0020	0.20%
23	UNVR	Unilever Indonesia Tbk.	-0.0134	-1.34%
Average			**0.0051**	**0.51%**

Source: Data Processed by Researchers, 2025

Based on the results of the 23 shares above, the stock that owns the most shares is ANTM (Aneka Tambang Tbk.) shares. i.e. sebesar 0.0255 or 2.55%. At the same time, the return terenalready owned by INDF (Indofood Sukses Makmur Tbk.) i.e. besar -0.0005 or -0.05%. Based on the data presented in the table, there are 16 stocks of companies that have a positive average return and 7 stocks of companies that have negative average returns.

2. Results of Market Return Rate Analysis (Rm)

In this study, the level of market return (Rm) is calculated using historical data from the Indonesian Stock Price (JCI) as a benchmark for the Indonesian capital market. The market is determined by how to find the difference between the closing price of the JCI and the closing price of the JCI (t-1) divided by the closing price of the JCI and the closing price (t-1). The data is available in Appendix 3. Based on the results of the previous trading session, the average market return rate is 0.00351 or 0.35%.

3. Results of Risk Free Rate Analysis (Rf)

The rate of return on the risk of the component feed in CAPM mode is the basis for the calculation of the risk of the asteroid in the CAPM mode. The average risk risk for 2019-2020 is 0.04642 or 4.64% divided by the amount of money in a 2019-2020 or 0.39% to 0.00387 or 0.39%, which reflects the estimated return of the knowledge from the instrument. This figure serves as a basis for comparing the market to the (Rm) market to assess whether the investor is getting the right compensation for the risk of a resilient investment.

4. Results of Systematic Risk Level Analysis (β_i) of each stock

Based A (β) is an indicator that is used to measure the risk of a systemic risk from a portfolio or portfolio that is resilient to the market. The value of a stock represents the difference between the rate of return on a stock and the rate of market return, which is calculated by the result of the division between the covariance of the stock and the variance of the market rate.

Table 4.2 Beta Calculation Results (βi) for 2019-2023

No.	Company Code	Company Name	β_i	Information
1	ADRO	Adaro Energy Indonesia Tbk.	1.35	β>1
2	ANTM	Aneka Tambang Tbk.	2.64	β>1

3	ASII	Astra International Tbk.	1.36	β>1
4	BBCA	Bank Central Asia Tbk.	0.88	β<1
5	BBNI	Bank Negara Indonesia (Persero) Tbk.	2.01	β>1
6	BBRI	Bank Rakyat Indonesia (Persero) Tbk.	1.37	β>1
7	BBTN	Bank Tabungan Negara (Persero) Tbk.	2.11	β>1
8	BMRI	Bank Mandiri (Persero) Tbk.	1.41	β>1
9	CPIN	Charoen Pokphand Indonesia Tbk.	0.49	β<1
10	EXCL	XL Axiata Tbk.	1.15	β>1
11	ICBP	Indofood CBP Sukses Makmur Tbk.	-0.01	β<1
12	INCO	Vale Indonesia Tbk.	1.84	β>1
13	INDF	Indofood Sukses Makmur Tbk.	0.21	β<1
14	INKP	Indah Kiat Pulp & Paper Tbk.	1.69	β>1
15	INTP	Indocement Tunggal Prakarsa Tbk.	1.06	β>1
16	ITMG	Indo Tambangraya Megah Tbk.	1.86	β>1
17	KLBF	Kalbe Farma Tbk.	0.46	β<1
18	PGAS	Perusahaan Gas Negara Tbk.	2.56	β>1
19	PTBA	Bukit Asam Tbk.	1.02	β>1
20	SMGR	Semen Indonesia Tbk.	1.37	β>1
21	TLKM	Telkom Indonesia (Persero) Tbk.	0.97	β<1
22	UNTR	United Tractors Tbk.	0.91	β<1
23	UNVR	Unilever Indonesia Tbk.	0.14	β<1
Sum			**28.85**	
Average			**1.25**	

Source: Data Processed by Researchers, 2025

Based on the table above, the average valuation yield is 1 (1.25 > 1) per 1 (1.25 1) to the same as the 23 stocks that are sampled by the market have a high systemic risk and are active in the market price response. A sar is owned by ANTM shares with only 2.64 and a stake in ICBN -0.01. Of the 23 shares, there are 16 shares, which have a value of 1 (β>1), namely, shares with the code adro, antm, asii, bbni, bbri, bbtn, bmri, EXCL, INCO, INKP, INTP, ITMG, PGAS, PTBA, SMGR. Stocks with more than 1 cent of the stock price are subject to higher stock price peers than market peers and market peers. There are 8 other stocks that have a value of more than 1 (β<1), namely shares with the code BBCA, CPIN, ICBP, INDF, KLBF, TLKM, UNTR, UNVR. Stocks with a price of 1 percent from 1 percent of the stock price are higher than market peers.

5. Expected Return Rate Analysis Results [E(Ri)]

The expected rate of return [E(Ri)] is the amount of the investment expected by the investment in the stock being made. The value of the expected return rate [E(Ri)] is used in the Capital Assistance Pricing Mode (CAPM) which uses a number of variables, namely, the value of individual return (Ri), the value of the market (Rm) and the value of β) per share.

Table 4.3 Expected Return Rate [E(Ri)]

No.	Company Code	Rf	B	E(Rm)	E(Ri) = Rf + B (E(Rm) - Rf)
1	ADRO	0.00387	1.35	0.00351	0.00339
2	ANTM	0.00387	2.64	0.00351	0.00293
3	ASII	0.00387	1.36	0.00351	0.00339
4	BBCA	0.00387	0.88	0.00351	0.00355
5	BBNI	0.00387	2.01	0.00351	0.00316
6	BBRI	0.00387	1.37	0.00351	0.00338

7	BBTN	0.00387	2.11	0.00351	0.00312
8	BMRI	0.00387	1.41	0.00351	0.00337
9	CPIN	0.00387	0.49	0.00351	0.00369
10	EXCL	0.00387	1.15	0.00351	0.00346
11	ICBP	0.00387	-0.01	0.00351	0.00387
12	INCO	0.00387	1.84	0.00351	0.00322
13	INDF	0.00387	0.21	0.00351	0.00379
14	INKP	0.00387	1.69	0.00351	0.00327
15	INTP	0.00387	1.06	0.00351	0.00349
16	ITMG	0.00387	1.86	0.00351	0.00321
17	KLBF	0.00387	0.46	0.00351	0.00371
18	PGAS	0.00387	2.56	0.00351	0.00296
19	PTBA	0.00387	1.02	0.00351	0.00351
20	SMGR	0.00387	1.37	0.00351	0.00338
21	TLKM	0.00387	0.97	0.00351	0.00352
22	UNTR	0.00387	0.91	0.00351	0.00355
23	UNVR	0.00387	0.14	0.00351	0.00382
Sum					**0.07874**
Average					**0.003423**

Based on the table above, the average expected return rate [E(Ri)] is besar 0.003423. The result was obtained from the amount [E(Ri)] 0.07874 then divided by the amount of shares studied, which is a total of 23 shares.

6. Results of Analysis of Efficient and Inefficient Stock Grouping and Investment Decisions

Based In a stock investment, understanding whether the stock is a good fit for the stock is a good idea or a good idea to take a step in the right direction . Stocks that are valued are stocks that have an individual return rate that is more than the expected rate of return or that is also a stock that has a low price. Stock is a stock that has an individual rate of return that is lower than the expected rate of return or a stock that is expensive.

Table 4.4 Stock List Undervalued and Overvalued

No.	Company Code	Company Name	Ri	E(Ri)	Information
1	ADRO	Adaro Energy Indonesia Tbk.	0.01938	0.00339	Undervalued
2	ANTM	Aneka Tambang Tbk.	0.02547	0.00293	Undervalued
3	ASII	Astra International Tbk.	-0.00226	0.00339	Overvalued
4	BBCA	Bank Central Asia Tbk.	0.01125	0.00355	Undervalued
5	BBNI	Bank Negara Indonesia (Persero) Tbk.	0.00962	0.00316	Undervalued
6	BBRI	Bank Rakyat Indonesia (Persero) Tbk.	0.01213	0.00338	Undervalued
7	BBTN	Bank Tabungan Negara (Persero) Tbk.	0.01155	0.00312	Undervalued
8	BMRI	Bank Mandiri (Persero) Tbk.	0.01173	0.00337	Undervalued
9	CPIN	Charoen Pokphand Indonesia Tbk.	0.00629	0.00369	Undervalued
10	EXCL	XL Axiata Tbk.	0.00546	0.00346	Undervalued
11	ICBP	Indofood CBP Sukses Makmur Tbk.	0.00234	0.00387	Overvalued
12	INCO	Vale Indonesia Tbk.	0.01237	0.00322	Undervalued
13	INDF	Indofood Sukses Makmur Tbk.	-0.00050	0.00379	Overvalued
14	INKP	Indah Kiat Pulp & Paper Tbk.	0.00362	0.00327	Undervalued

15	INTP	Indocement Tunggal Prakarsa Tbk.	-0.00742	0.00349	Overvalued
16	ITMG	Indo Tambangraya Megah Tbk.	0.01462	0.00321	Undervalued
17	KLBF	Kalbe Farma Tbk.	0.00273	0.00371	Overvalued
18	PGAS	Perusahaan Gas Negara Tbk.	-0.00133	0.00296	Overvalued
19	PTBA	Bukit Asam Tbk.	-0.00416	0.00351	Overvalued
20	SMGR	Semen Indonesia Tbk.	-0.00429	0.00338	Overvalued
21	TLKM	Telkom Indonesia (Persero) Tbk.	0.00282	0.00352	Overvalued
22	UNTR	United Tractors Tbk.	0.00195	0.00355	Overvalued
23	UNVR	Unilever Indonesia Tbk.	-0.01338	0.00382	Overvalued

Source: Data Processed by Researchers, 2025

Based on the table above, of the 23 stocks that made up the sample, 12 stocks were selected to categorize the following categories, namely, ADRO, ANTM, BBCA, BBNI, BBRI, BBTN, BMRI, CPIN, EXCL, INCO, INKP, ITMG. The actions made against the stocks are subject to the same values as the stock is invested in the stock when the price returns to its fair value. There are 11 stocks that are included in the category, namely, ASII, ICBP, INDF, INTP, KLBF, PGAS, PTBA, SMGR, TLKM, UNTR, UNVR. The actions taken against the stocks of the stock are subject to the same price as the stock must be considered by the investor or avoid the sale of the shares due to the market price at that time and the stock is subject to price correction which may result in a loss of value for the investment.

DISCUSSION

The *Capital Assistance Pricing Mode* (CAPM) in determining the rate of return on equity based on historical data suggests that *the reallocation* can vary between the times from the know to the knowledge. The results of the calculation and the rate of individual share returns (Ri) yield an average of 0.00506." The stock that has *a return* terbesar is ANTM (Aneka Tambang Tbk.) shares. namely sebesar 0.0255 or 2.55%, and *return* terendah is owned by INDF shares (Indofood Sukses Makmur Tbk.) i.e. sebesar -0.0005 or -0.05%." The rate of return on individual shares (Ri) has a significant impact on the analysis of the financial situation and is based on the expected rate of return [E(Ri)] in the *Capital Asset Pricing Mode* (CAPM).

It is a matter of determining the expected level of return / *expected return* and systemic risk (β). Understanding the relationship between *the risk* and the risks posed by the CAPM can be seen from the Vertical Market Line (GPS) or the *Vertical Market Line* (SML). Stocks that are slightly above the SML line are considered *to be shares* of the stock of the stock or *the stock of the stock because of* the re-alization *or the* re-investment of the company . A stock that is seen slightly below the SML line is a stock *that* is worth a lot of money or an expensive stock because it has a higher return than expected. Of the 23 stocks that have been sampled, 12 stocks have been selected for 12 stocks that have been categorized *as* ADRO, ANTM, BBCA, BBNI, BBRI, BBTN, BMRI, CPIN, EXCL, INCO, INKP, ITMG. There are 11 stocks that are included *in the category, namely* , ASII, ICBP, INDF, INTP, KLBF, PGAS, PTBA, SMGR, TLKM, UNTR, UNVR.

From the results of the research, the shares that were reclassified were shares of Adaro Energy Indonesia Tbk. (ADRO), Aneka Tambang Tbk. (ANTM), and Indo Tambangraya Megah Tbk. (ITMG) because it has a difference between *the resale* and *the expected resale* of the rbesar among other stocks that are the result of a resale of the liability. Where the three stocks are based on CAPM analysis and both feed the valuable assets in the mining sector. This can be a consideration for potential investors to invest in stocks that are attractive to investors, considering the potential for attractive valuations and valuations.

CONCLUSION

This Based on the results of the research and data analysis conducted on the "Valuation of the Capital Assistance Pricing Mode (CAPM) as a basis for taking the investment in LQ45 stocks in the 2019-2023 financial year, the conclusions of this research are as follows:

1. Based on the analysis of the data, it is possible to distinguish between the systemic risk and the expected level of return on the stock. Where ANTM's stock has the highest return of 2.64 and has the expected return rate of 0.00293. Whereas ICBP shares have a return of -0.01 and have the highest expected return of 0.00387. The average systemic risk is more than 1, i.e. 1.25 per share, to the extent that 23 stocks that are sampled have a high systemic risk and are active in the regulation of market price materials.
2. Of the 23 stocks that have been sampled, 12 stocks have been selected for 12 stocks that have been categorized as ADRO, ANTM, BBCA, BBNI, BBRI, BBTN, BMRI, CPIN, EXCL, INCO, INKP, ITMG. The actions made against the stocks are subject to the same values as the stock is invested in the stock when the price returns to its fair value. There are 11 stocks that are included in the category, namely , ASII, ICBP, INDF, INTP, KLBF, PGAS, PTBA, SMGR, TLKM, UNTR, UNVR. The actions taken against the stocks of the stock are subject to the same price as the stock must be considered by the investor or avoid the sale of the shares due to the market price at that time and the stock is subject to price correction which may result in a loss of value for the investment.

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