

## **ABSTRACT**

### **ASSESSING THE RELEVANCE OF PIOTROSKI'S F-SCORE AS A STOCK EVALUATION TOOL IN THE INDONESIAN STOCK MARKET**

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*This research investigates the relevance of Piotroski's F-SCORE as a stock evaluation tool in the Indonesian stock market. Employing a quantitative research approach, financial data from listed companies on the Indonesia Stock Exchange (IDX) is analyzed to test the F-SCORE's predictive power and its performance against benchmark indices. The study aims to assess whether the F-SCORE can predict future stock returns and if constructing a portfolio based on the F-SCORE outperforms the market. Using quantitative methods, the research draws objective and statistically valid conclusions. The main research objective is to determine the F-SCORE's efficacy, and specific research questions address its predictive power and comparative performance against market indices.*

*Data collection involves historical financial data from all IDX-listed companies from 2002 to 2022. Financial ratios, F-SCOREs, and stock returns are calculated for analysis. The study includes the entire IDX population due to the distinct Indonesian market size.*

*Results show mixed outcomes for the "High F-SCORE" and "Low F-SCORE" portfolios compared to benchmarks. The F-SCORE strategy faces challenges in consistent outperformance. The study critiques Piotroski's methodology and recommends improvements like dynamic scoring models, industry-specific F-SCORE criteria, and integration of qualitative and macroeconomic factors.*

*In conclusion, Piotroski's F-SCORE presents potential for identifying strong companies and turnaround opportunities. However, it falls short against benchmark indices. Combining the F-SCORE with fundamental analysis and considering external factors is crucial. The research offers insights for investors seeking to refine their strategies in Indonesia's dynamic stock market, providing recommendations to enhance the F-SCORE's effectiveness.*

**Keyword:** *Quantitative analysis, stock market, investment strategy*

## ABSTRAK

### MENGUJI RELEVANSI METODE PIOTROSKI'S F-SCORE SEBAGAI ALAT EVALUASI SAHAM DI PASAR SAHAM INDONESIA

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Penelitian ini bertujuan mengevaluasi relevansi F-SCORE Piotroski sebagai alat evaluasi saham di pasar saham Indonesia. Dengan pendekatan penelitian kuantitatif, data keuangan dari perusahaan yang terdaftar di Bursa Efek Indonesia (BEI) dianalisis untuk menguji kemampuan prediksi F-SCORE dan kinerjanya dibandingkan dengan indeks *benchmark*. Tujuan studi ini adalah menilai apakah F-SCORE dapat memprediksi kinerja saham di masa depan dan apakah pembentukan portofolio berdasarkan F-SCORE dapat mengungguli kinerja pasar.

Data yang dikumpulkan mencakup data keuangan historis dari seluruh perusahaan yang terdaftar di BEI antara tahun 2002 dan 2022. Rasio keuangan, F-SCORE, dan kinerja saham dihitung untuk analisis. Studi ini melibatkan seluruh populasi BEI karena ukuran pasar Indonesia yang khas.

Hasil penelitian menunjukkan variasi hasil antara *portofolio* "High F-SCORE" dan "Low F-SCORE" jika dibandingkan dengan indeks *benchmark*. Strategi F-SCORE menghadapi tantangan dalam mencapai kinerja yang konsisten. Studi ini mengkritisi metodologi Piotroski dan mengusulkan perbaikan, termasuk penggunaan model perhitungan dinamis, penerapan kriteria F-SCORE yang lebih terfokus pada industri, dan integrasi faktor-faktor kualitatif serta makroekonomi.

Secara keseluruhan, F-SCORE Piotroski memiliki potensi dalam mengidentifikasi perusahaan yang sehat, meskipun performanya masih di bawah indeks *benchmark*. Menggabungkan F-SCORE dengan analisis fundamental dan mempertimbangkan faktor eksternal menjadi kunci penting. Penelitian ini memberikan wawasan dan rekomendasi berharga bagi investor di pasar saham Indonesia yang dinamis.

**Kata kunci:** *Analisa kuantitatif, pasar saham, strategi investasi*