

## Assignment 5 Screening Summary (Group 5)

Screening stocks in [stockbit.com](http://stockbit.com) is supported by a feature called screener. This tool is used to screen stocks based on your company philosophy related criteria such as technical rules, fundamental rules, or these mixed rules. In this case, we screen stocks based on our company profile to deliver high investment returns by exploiting mispriced securities in short-term basis, to manage risk with qualified stock selection and market timing and to believe that momentum strategies are perfect ways to beat the market in short term basis. Finally, we use momentum investing in line with our investment philosophy.

The steps are initially started by click Screener → Preset Screener → Guru Screener → Momentum Screener → Price Momentum.

**Price Momentum** is a momentum investing strategy based on Narasimhan Jegadeesh and Sheridan Titman's research that suits with our investment philosophy. Their paper entitled "Returns to buying winners and selling losers" summarized that for the top 25% of stocks in the market ranked by their relative price strength over 6 and 12 months, the research into momentum strategies has shown that previously winning stocks have a tendency to keep rising in price over the medium term, while previous losers tend to keep falling.

This screener, then, is based on Relative Strength (RS) or ratio between stock and its corresponding market index, in this case, Indonesian stocks and Jakarta Composite Index. The objective of this screener is to get stocks that outperform index in 1-year and 6-month time frame, but underperform index in 1-month timeframe. This method assumes that its short-term performance (1 month) will in line again with its longer-term performance (6 months and 1 year). The two following tables are 5 specific screening rules and the screener result regarding price momentum.

Table 1 Price Momentum Screening Rules

No.	Criteria	Representation
1.	1 Year RS line > 1	longer-term performance
2.	6 month RS line > 1	
3.	1 month RS line < 1	short-term performance
4.	Rank (Market Cap) percentage > 25	to make sure the selected stocks are liquid enough
5.	Volume MA 20 > 100000	

Table 2 Price Momentum Screener Result

Symbol	1-year RS Line	6-month RS Line	1-month RS Line	Rank Market Cap	Volume MA 20
TKIM	12.18	5.31	0.9	96 %	9,806,955
INDR	5.07	5.29	0.85	66 %	1,222,695
TRAM	3.74	1.79	0.95	88 %	148,779,032.80
INDS	2.42	1.6	0.95	44 %	297,590
IMAS	2.36	3.29	0.64	77 %	27,879,675
HOKI	2.21	2.68	0.94	50 %	32,867,110.20

INCO	2.12	1.36	0.97	95 %	8,388,625
KOBX	2.06	2.03	0.9	26 %	3,668,920
WOOD	1.97	2.45	0.93	62 %	55,506,610.20
IMJS	1.94	2.27	0.89	59 %	9,746,270
RAJA	1.78	1.89	0.75	55 %	2,046,290
KREN	1.71	1.4	0.96	86 %	113,664,105.80
PTBA	1.62	1.59	1	96 %	31,253,085
WOMF	1.6	1.46	1	37 %	1,583,690
SMMT	1.58	1.53	0.99	30 %	820,985
<b>SIDO</b>	<b>1.58</b>	<b>1.52</b>	<b>0.97</b>	<b>84 %</b>	<b>6,766,700</b>
MFIN	1.51	1.22	0.96	53 %	344,455
MYOR	1.47	1.47	0.99	97 %	1,745,655
BTPN	1.45	1.54	0.96	91 %	2,056,460
MASA	1.37	1.17	0.99	59 %	585,525
CARS	1.37	1.75	0.95	63 %	7,334,705
ITMG	1.35	1.14	0.94	93 %	2,562,275
<b>ADMG</b>	<b>1.31</b>	<b>1.33</b>	<b>0.86</b>	<b>41 %</b>	<b>3,648,355</b>
HRUM	1.27	1.13	0.88	76 %	3,137,675
BFIN	1.26	1.04	0.88	82 %	323,660
<b>MAPI</b>	<b>1.24</b>	<b>1.4</b>	<b>0.94</b>	<b>86 %</b>	<b>14,546,180</b>
TARA	1.24	1.17	0.98	79 %	41,610,180
RALS	1.22	1.22	0.92	81 %	12,077,210
SMDM	1.22	1.09	0.97	29 %	351,970
ADMF	1.2	1.17	0.97	79 %	128,380
PNIN	1.2	1.26	0.81	67 %	1,192,535
MBAP	1.19	1.19	0.94	66 %	374,140
MTDL	1.19	1.3	0.89	50 %	1,718,235
ALTO	1.17	1.1	0.97	34 %	15,184,460
AMRT	1.15	1.32	0.97	93 %	24,745,894.80
JAWA	1.15	1.02	0.99	32 %	1,316,405
<b>MPMX</b>	<b>1.14</b>	<b>1.17</b>	<b>1</b>	<b>67 %</b>	<b>1,340,840</b>
TINS	1.14	1.08	0.84	73 %	10,556,710
<b>ANTM</b>	<b>1.13</b>	<b>1.35</b>	<b>0.91</b>	<b>90 %</b>	<b>94,688,215.20</b>

From the result above, we finally screen the stocks that is related to our company sectors such as SIDO, ADMG, MAPI, MPMX and ANTM.