SUCCESSFUL SURFING IN CAPITAL MARKET:
PHENOMENOLOGICAL STUDY OF INDONESIAN “WARREN BUFFETT”

Jo Denie 1
Surachman 2
Nur Khusniyah Indrawati 3
Mintarti Rahayu 4

ABSTRACT

Objective: The purpose of this study is to uncover the successful secrets of a No. 1 individual investor on the Indonesian stock exchange who has proven to earn huge amounts of profits.

Theoretical Framework: Some theories related to investor behavior theory, among others, are: Regret Theory, this theory is a development of previous decision-making theories, namely prospect theory and expected usability theory.

Method: This research explores the philosophy, behavior, strategies, techniques, and ways to find stocks that can provide great returns based on the experience of an individual investor. This research also examines in depth the experience of a famous investor named Lo Kheng Hong (LKH), known as Warren Buffett of Indonesia.

Results and Discussion: The results showed that the factors that support the success of LKH in investing in the IDX can be: (1) reading the company’s financial statements; (2) analyzing financial data; considering the integrity of its owners and management; (3) investing by buying shares on the IDX; (4) daring to make decisions to buy shares based on their own analysis; (5) patiently waiting; (6) simple to live their lives and frugal.

Research Implications: One of the secrets of success, the strategy in finding stocks that provide big profits is to read and look at financial statements, analyze deeply using simple fundamental analysis, look for stocks that are undervalued.

Originality/Value: This study contributes to literatures regarding how to be successful investor in stock market.

Keywords: Indonesia Stock Exchange (IDX), Individual Investor, Investor Behavior, Fundamental Analysis, Phenomenology.

SURF DE SUCESSO NO MERCADO DE CAPITAIS: ESTUDO FENOMENOLÓGICO DO INDONÉSIO “WARREN BUFFETT”

RESUMO

Objetivo: O objetivo deste estudo é descobrir os segredos de sucesso de um investidor individual número 1 na bolsa de valores da Indonésia que provou obter enormes lucros.

Referencial Teórico: Algumas teorias relacionadas à teoria do comportamento do investidor, entre outras, são: Teoria do Arrependimento, esta teoria é um desenvolvimento de teorias anteriores de tomada de decisão, nomeadamente a teoria do prospecto e a teoria da usabilidade esperada.

1 Faculty of Economic and Business, Brawijaya University, Malang, East Java, Indonesia. E-mail: jodenie88@gmail.com Orcid: https://orcid.org/0009-0008-6284-3528
2 Department of Management, Faculty of Economic and Business, Brawijaya University, Malang, East Java, Indonesia. E-mail: surachman@ub.ac.id Orcid: https://orcid.org/0000-0002-5670-8572
3 Department of Management, Faculty of Economic and Business, Brawijaya University, Malang, East Java, Indonesia. E-mail: nur_khusniyah@ub.ac.id Orcid: https://orcid.org/0000-0002-1366-281
4 Department of Management, Faculty of Economic and Business, Brawijaya University, Malang, East Java, Indonesia. E-mail: mintarti.rahayu@gmail.com Orcid: https://orcid.org/0009-0009-2161-7273

Método: Esta pesquisa explora a filosofia, o comportamento, as estratégias, as técnicas e as formas de encontrar ações que possam proporcionar grandes retornos com base na experiência de um investidor individual. Esta pesquisa também examina em profundidade a experiência de um famoso investidor chamado Lo Kheng Hong (LKH), conhecido como Warren Buffett da Indonésia.

Resultados e Discussão: Os resultados mostraram que os fatores que sustentam o sucesso da LKH em investir no IDX podem ser: (1) leitura das demonstrações financeiras da empresa; (2) análise de dados financeiros; considerando a integridade de seus proprietários e administradores; (3) investir comprando ações no IDX; (4) ousadia na tomada de decisões de compra de ações com base em suas próprias análises; (5) esperar pacientemente; (6) simples de viver suas vidas e frugais.

Implicações da Pesquisa: Um dos segredos do sucesso, a estratégia para encontrar ações que proporcionem grandes lucros é ler e olhar as demonstrações financeiras, analisar profundamente através de análises fundamentais simples, procurar ações que estejam subvalorizadas.

Originalidade/Valor: Este estudo contribui para literaturas sobre como ser um investidor de sucesso no mercado de ações.

Palavras-chave: Bolsa de Valores da Indonésia (IDX), Investidor Individual, Comportamento do Investidor, Análise Fundamentalista, Fenomenologia.

NAVEGACIÓN EXITOSA EN EL MERCADO DE CAPITAL: ESTUDIO FENOMENOLÓGICO DEL “WARREN BUFFETT” INDONESIO

RESUMEN

Objetivo: El propósito de este estudio es descubrir los secretos exitosos de un inversionista individual número uno en la bolsa de valores de Indonesia que ha demostrado obtener enormes cantidades de ganancias.

Marco Teórico: Algunas teorías relacionadas con la teoría del comportamiento del inversor, entre otras, son: Teoría del arrepentimiento, esta teoría es un desarrollo de teorías anteriores sobre la toma de decisiones, es decir, la teoría de las perspectivas y la teoría de la usabilidad esperada.

Método: Esta investigación explora la filosofia, el comportamiento, las estrategias, las técnicas y las formas de encontrar acciones que puedan proporcionar grandes rendimientos basándose en la experiencia de un inversor individual. Esta investigación también examina en profundidad la experiencia de un famoso inversor llamado Lo Kheng Hong (LKH), conocido como Warren Buffett de Indonesia.

Resultados y Discusión: Los resultados mostraron que los factores que respaldan el éxito de LKH al invertir en IDX pueden ser: (1) lectura de los estados financieros de la empresa; (2) analizar datos financieros; considerando la integridad de sus propietarios y directivos; (3) invertir comprando acciones en el IDX; (4) atreverse a tomar decisiones de compra de acciones basándose en su propio análisis; (5) esperar pacientemente; (6) sencillos para vivir sus vidas y frugales.

Implicaciones de la investigación: Uno de los secretos del éxito, la estrategia para encontrar acciones que proporcionen grandes ganancias, es leer y mirar los estados financieros, analizarlos en profundidad utilizando un análisis fundamental simple y buscar acciones que estén infravaloradas.

Originalidad/Valor: Este estudio contribuye a la literatura sobre cómo ser un inversor exitoso en el mercado de valores.

Palabras clave: Bolsa de Valores de Indonesia (IDX), Inversor Individual, Comportamiento Inversor, Análisis Fundamental, Fenomenología.
1 INTRODUCTION

The Indonesian capital market is one of the investment destination markets for investors, investment banks, and financial institutions from within the country, as well as investors or global investment companies from developed countries (Widnyana et al., 2021; Saragih et al., 2021; Budianto & Suyono, 2020; Azhariyah et al., 2021; Muharam et al., 2020; Farid et al., 2022). The Indonesian capital market, or Indonesia Stock Exchange (IDX), is also known as an emerging market exchange by global investors. In the report "Global Strategy Outlook for 2019" published on November 25, 2018, Morgan Stanley, which is an investment bank and multinational financial services company, recommends several exchanges from developing countries, one of which is IDX, which is given the title of an overweight stock exchange. Stock exchanges in emerging market countries provide a higher risk premium than countries included in developed markets, so as to provide higher expected returns (Salomons & Grootveld, 2003; Fassas, 2020; Burkaltseva et al., 2022; Jiang et al., 2021; González-Sánchez, 2022).

The current development of economic conditions in Indonesia is still considered good enough by domestic and foreign investors to encourage them to invest their capital. This indicator is shown by the average economic growth of Indonesia, which in the last 4 years has again reached above 5% per year (2016–2019). During the 2020 pandemic, investment activities in Indonesia are also still running quite well, thus helping the wheels of economic development. In 2021, Indonesia's economic growth increased again to 3.69%. Indonesia's economy in 2022, calculated based on Gross Domestic Product (GDP), reached Rp19,588.4 trillion, and GDP per capita reached Rp71.0 million, or US$4,783.9. In 2022, Indonesia's economic growth increased to 5.31 percent, higher than the achievement in 2021. This achievement shows that there is a trend in Indonesia's economic recovery that is seen to continue.

Indonesia is one of the most promising markets in Asia, with the largest Gross Domestic Product (GDP) in ASEAN (Basak et al., 2022; Oshinubi et al., 2021; Chang & Li, 2020; Jahanmiri et al., 2021; Putra et al., 2020). In 2019, Indonesia's GDP reached USD 1.12 trillion. In addition, Indonesia has a population of 267 million, which is also the highest population in ASEAN, coupled with its fairly diffuse demographic conditions. There is still a lot of room for the growth of the Indonesian capital market, both from the investor side and from the side of companies listed on the stock exchange. Capital market capitalization in Indonesia at the end of 2022 will continue to increase to IDR 9,499 trillion (equivalent to USD 633 billion) compared to 2009, which only amounted to Rp 2,019 trillion (equivalent to USD 214 billion).
Based on the large number of individual investors who experience losses in investing or trading stocks and negative perceptions from the public, researchers chose the phenomenon of an individual investor who is known to be the most successful in investing on the Indonesia Stock Exchange, Mr. Lo Kheng Hong, also known as LKH. In the capital market community, he is known as the most successful investor in Indonesia because of his success in investing in stocks and being able to accumulate enormous profits. In today's digital era, people can easily see the names and number of shares owned by LKH from companies whose shares have gone public and traded on the IDX.

2 LITERATURE REVIEW

2.1 THEORY OF INDIVIDUAL BEHAVIOR

A person's behavior in doing something or the way he acts on an activity using skills or brains. Behavior is determined by two factors or characteristics, namely individual characteristics and environmental characteristics. In the theory of individual behavior discussed about the perception of each individual, motives and motivations, attitudes, personality, behavior and learning which are the shapers of individual behavior (Marks et al., 2022; Darvishi et al., 2022; Rama dhani et al., 2022). All individual behavior is fundamentally shaped by his personality and experiences. There are four individual-level variables, namely biographical character, ability, personality, and learning.

2.2 INVESTOR BEHAVIOR THEORY

Some theories related to investor behavior theory, among others, are: Regret Theory, this theory is a development of previous decision-making theories, namely prospect theory and expected usability theory (Wang et al., 2023; Huang et al., 2023; Zhan et al., 2023; Mondal et al., 2023; Harrison & Swarthout, 2023). This theory basically deals with the reaction of a person's emotional experience who realizes that they have made an error in judgment. In selling shares investors become emotionally affected by the desire to make large profits, so investors
hesitate and delay selling as a way to avoid regret for having made the wrong investment decision and if the stock loses money will be embarrassed to report losses.

2.3 DECISION MAKING THEORY

There are various factors that can influence investment decisions that can be seen from demographic variables, such as: gender, age, income level, and education level. Factors in the process of choosing a safe investment, not all variables will affect investors in the same way and to the same degree, but the factors that motivate investors and have a great influence in making investment decisions in the stock market include: Industry attractiveness, historical data, expected dividends, financial indicators, minimized losses and opportunities for capital gains (Sahu et al., 2020; Bruijn & Antonides, 2022; Yuan et al., 2021; Liu et al., 2021).

3 METHODOLOGY

3.1 RESEARCH APPROACH

This research is a qualitative approach based on the phenomenological and numenological perspectives of an individual investor who has been famous for successfully investing in the Indonesian stock exchange. The reason for using a qualitative approach in this study is because of the freedom and flexibility in revealing the phenomenology of an individual, not only from visible reality but also from deeper things. According to Chiu, (2023); Amelia et al., (2022); Larivière-Bastieno et al., (2022); Curelaru et al., (2022); Schwaiger et al., (2022), a qualitative approach is a research procedure that produces descriptive data in the form of written or spoken words of people and observable behavior. A qualitative approach is used to deeply understand and focus more research on the essence of a concept, secrets, strategies, and ways individual investors profit from investing in shares on the IDX. This study uses the phenomenological method of Alfred Schutz, which uses concepts to interpret one’s actions based on the motives that exist in investors and examines subjective meanings with causal relationships that underlie the actions of individual investors in investing (Palacios et al., 2021; Lindseth & Norberg, 2022; Loidolt, 2021; Pham, 2022; Fernandez & Crowell, 2021; Latifah et al., 2023). A person’s behavior has a motive underlying his actions, known as his behavior based on in order to motive (um-zu-motive) or the motive "so that" refers to the future; and based on the action of because motive (Weil-Motiv), which refers to the past. To interpret and describe social events from the point of view of human activities, this study
uses an interpretive paradigm. The interpretive paradigm is a paradigm that seeks to understand human behavior, emphasizing the role of language, interpretation, and understanding.

3.2 RESEARCH SUBJECTS

The subject of the study was Mr. LKH, the most successful domestic individual investor on the Indonesia Stock Exchange, known as "Indonesian Warren Buffett."

3.2.1 Data Collection Technique

Data collection in this study was carried out with the following approach:

1. Direct observation
   Researchers make observations and interact directly with research subjects (LKH) and also his inner circle which consists of 6 individuals (close friends and stock brokers). Also accompanying LKH during site visit in public listed companies.

2. Qualitative Interview
   In addition to making observations in the field, researchers conducted special interviews. This interview conducted by using semi-structured interview with LKH.

4 RESEARCH SUBJECT: MR. LO KHENG HONG (LKH)

4.1 BACKGROUND PROCESS OF LKH'S INTEREST TO BECOME AN INVESTOR IN THE IDX

This 64-year-old man was born in Jakarta in 1959. LKH comes from a very simple family; even he said himself that he was born into a poor family. The house is small; the walls are made of boards; there is no ceiling; if you sleep, you see the roof tiles of the house; and if it rains, the house is flooded. His parents, before migrating to Jakarta, lived and worked as coconut crackers in a remote area in Peniti village, located in the Siantan area of Mempawah district, located about 35 km from Pontianak city, West Kalimantan. Currently, both his parents
live in Jakarta and are already 94 years old. LKH has a wife and two sons; currently, the first is 27 years old and the second is 25 years old.

4.2 OBSERVATION AND PROOF OF RESEARCHERS ON LKH STOCK SELECTION WHICH INCREASED BY THOUSANDS OF PERCENT IN SUCH A SHORT PERIOD OF TIME

In addition to the facts presented by the informants involved in the process of investing, researchers try to get to know and follow his activities, make direct observations following visits to issuers, and finally feel it firsthand, proving LKH's expertise in choosing shares on the IDX that provide considerable profits in a relatively short time.

On March 20, 2020, LKH excitedly informed researchers that the price of PT Bank Danamon Indonesia Tbk (BDMN) shares had fallen very deeply to the price level of Rp 1,620 per share. The very deep decline in BDMN shares due to investor panic over the COVID-19 pandemic became momentum for LKH to collect shares on the stock exchange. On December 7, 2020, in just 9 months, BDMN's shares, informed by LKH, had moved up more than 100% to IDR 3,250.

The second proof is in the shares of PT Indika Energy Tbk (INDY), which he informed on June 12, 2020; at that time, the COVID-19 pandemic was still ongoing. At that time, INDY’s share price was in the range of Rp 600 per share, and he recommended to researchers that they collect it or buy it. On December 21, 2020, or only about 6 months after he informed the researcher, INDY's stock price rose fantastically to IDR 2,050 per share, or an increase of 241%.

The third proof is in the shares of PT Indo Tambangraya Megah Tbk (ITMG), which he informed on March 20, 2020; at that time ITMG's share price was in the range of Rp 6,000 per share, and he recommended to researchers that they collect it or buy it. On December 28, 2020, or only about 9 months after he informed the researcher, ITMG's stock price rose fantastically to IDR 14,250 per share, or an increase of 138%.

The stocks he bought in a fairly short time actually experienced a very significant increase, as seen in the table below.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Stock Code</th>
<th>Price (Rp)</th>
<th>Price on December 2020 (Rp)</th>
<th>Period</th>
<th>Profit (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PT Bank Danamon Indonesia Tbk (BDMN)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PT Indika Energy Tbk (INDY)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PT Indo Tambangraya Megah Tbk (ITMG)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1
The Shares Purchased by LKH in a Short Time Rose Significantly
5 RESULTS AND DISCUSSIONS

5.1 THE SUCCESS MODEL OF LKH

The purpose of this study is to build a success model for a stock investor in the Indonesia Stock Exchange. This research does not intend to promise or produce an investor who can be as successful as LKH. From the results of interviews with research subjects, several important meanings were obtained that researchers used as themes. Here are six terms obtained based on the focus of the research.

5.2 READING

Before deciding to invest in stocks, an investor must pay attention and read the business activities of the shares he will buy. According to LKH, buying shares is not like buying a cat in a sack, so it needs to be researched first before investing. Reading will increase knowledge; someone who has a lot of knowledge is analogous to intelligence; and a smart person is close to wealth or success. To find out the performance of the company or the performance of issuers whose shares are listed on the Indonesian stock exchange, according to LKH, there is no other way, one of which is to read, observe, and review the financial statements submitted periodically by each issuer.

5.3 THINKING

After reading various financial reports, books, and news in the mass media, LKH spends its time thinking, critically analyzing, and looking for stocks whose value is still considered cheap so that when invested for a certain time, it will be able to provide profits. When deciding to invest in stocks, LKH also considers the trading liquidity of the shares it will buy. By calculating the valuation of the shares, LKH will invest carefully and sparingly. He will also calculate his risk and reward so that he can estimate how much loss he will experience and how much profit he might be able to earn.

Source: Research results.
5.4 INVEST

After reading, observing, and thinking, the next step for an investor is to act, namely by deciding to invest or buy stocks. In investing shares on the Indonesian stock exchange, LKH has many profits from commodity sector stocks, especially coal business activities, which he understands very well. In the late and early 2000s, the coal sector provided the most capital gains, so LKH can become a successful investor in the Indonesian stock exchange. Most investors have the ability to read and think, but not all investors can afford to act or decide to buy or sell shares.

5.5 DARE

LKH said that he had met his friend, who is a professor and also a lecturer at one of the top universities in Indonesia. The professor expressed his admiration for LKH for daring to invest in stocks using all his money. According to the professor, investing in stocks has a very high risk; it takes courage to decide to buy or sell shares. The finance professor admits that he understands investment theories very well, but one of his weaknesses is that he doesn't have the courage to buy most of his money in stocks. Likewise, the dealer in the securities company who helps LKH input buy orders, although he is the person who knows best what stocks are bought by LKH, and most of the stocks purchased by LKH in a certain period have the opportunity to rise and provide big profits, said one of his weaknesses is not having the courage or the guts to use part of his salary to buy shares.

5.6 PATIENCE

One of the LKH's key success factors in obtaining huge profits is that he has high patience in keeping stocks. He is able to survive by holding stocks for a long time. After choosing stocks that have been analyzed in depth, LKH is very confident in the stocks he chooses, and he is very confident that the results of his analysis will provide profits. Then LKH will arrange his time to sleep, as he often says, to be a sleeping investor. Sleep is analogous to the process of waiting patiently, not panicking, and not being emotional when seeing the price of the stock in which he invests fall or move up. According to LKH, a wise investor can make money while he is sleeping. Not participating in selling or buying is a good act and a form of financial intelligence.
5.7 SIMPLE LIFE

LKH was born into a simple family; until now, the attitude of a simple and frugal life has continued to follow him, even though his wealth has abundantly reached trillions of Rupiah. He is not ashamed to use an old car; the most important thing is that the car can be used to support his daily activities. On one occasion, he sat with several conglomerates and wore clearly visible clothes, watches, and shoes that were worth only a few hundred thousand rupiah compared to the goods worn by conglomerates and businessmen who used well-known brands that were very expensive. LKH is still eagerly learning to follow almost everything legendary investor Warren Buffett does, including the simplicity of his lifestyle. His wife and children also live a simple life, using simple items and looking ordinary, not like a trillionaire.

5.8 CONSTRUCTION OF LKH LEARNING PROCESS, INVEST WITH SMALL CAPITAL UNTIL ACCUMULATE HUGE PROFITS

At the beginning LKH bought stocks was in October 1989, when he was 30 years old, the first stocks purchased were IPO shares of PT Gajah Surya Multi Finance Tbk (GSMF), one of the financial, insurance and multi finance services companies affiliated with PT Gajah Tunggal Tbk, the largest tire company in South East Asia. With a frugal lifestyle, LKH collects the salary he earns every month from working as an administrative employee at Overseas Express Bank to buy shares.

At that time LKH did not have sufficient experience and knowledge, the strategy in buying shares was only oriented towards IPO shares, LKH only followed his friends and hoped that at the time of the first listing the stock price rose and he would make a profit. LKH purchases these shares without conducting analysis, without reading prospectuses and without reading financial statements. After realizing his mistake, LKH began to learn by reading investment books. LKH reads Warren Buffett's books and investment books of legendary traders in America. Finally, he liked books about Warren Buffett, an investor who has proven successful and became one of the richest people in the world. LKH bought all the books written about Warren Buffett, and the books were read over and over again until he fully understood how to invest and how to do fundamental analysis. LKH follows all the teachings of Warren Buffett and applies its ways in choosing and transacting shares on the Indonesia stock exchange. With continuous learning and focus on reading financial statements and changing the way they invest using fundamental analysis.
At first he bought shares with relatively little money, stocks that had been observed and believed to be cheap valuations would be bought using all his money, then the shares were stored. Next, LKH waits patiently until the price of the shares he buys rises to a fair value according to his calculations, and he will sell them. After investing for almost 9 years in the Indonesia stock exchange which went through ups and downs and ups and downs, in 1998, LKH had managed to raise money from work and from the profits of investing in its shares as much as Rp 1.5 billion. The following is a chronological summary of several transactions of LKH shares that earned considerable profits between 1989 - 1998, thus making him successfully invest in shares on the Indonesia stock exchange and continue until he obtained accumulated profits of trillions of Rupiah. See Table 2 for detail.

Table 2

Construction Summary of LKH's Profits to Trillions of Rupiah

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Stock code</th>
<th>Buying price (Rp)</th>
<th>Selling price (Rp)</th>
<th>Period</th>
<th>Year</th>
<th>Profit (Rp)</th>
<th>Profit (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PT Rigs Tender Indonesia</td>
<td>RIGS</td>
<td>800</td>
<td>1,350</td>
<td>1 year</td>
<td>1993-1994</td>
<td>455 million</td>
<td>81%</td>
</tr>
<tr>
<td>PT Steady Safe</td>
<td>SAFE</td>
<td>1,050</td>
<td>2,600</td>
<td>1.7 year</td>
<td>1995-1996</td>
<td>775 million</td>
<td>147%</td>
</tr>
<tr>
<td>PT United Tractor</td>
<td>UNTR</td>
<td>250</td>
<td>15,000</td>
<td>6 year</td>
<td>1998-2004</td>
<td>89 billion</td>
<td>5,900%</td>
</tr>
<tr>
<td>PT Timah</td>
<td>TINS</td>
<td>290</td>
<td>2900</td>
<td>2 year</td>
<td>2002-2004</td>
<td>63 billion</td>
<td>900%</td>
</tr>
<tr>
<td>PT Multibreeder</td>
<td>MBAI</td>
<td>250</td>
<td>31,500</td>
<td>6 year</td>
<td>2005-2011</td>
<td>195 billion</td>
<td>12,500%</td>
</tr>
<tr>
<td>PT Japfa Comfeed</td>
<td>JPA</td>
<td>200</td>
<td>4,000</td>
<td>6 year</td>
<td>2005-2011</td>
<td>200 billion</td>
<td>1,900%</td>
</tr>
<tr>
<td>PT Polychem Indonesia</td>
<td>ADMG</td>
<td>200</td>
<td>600</td>
<td>3 year</td>
<td>2008-2011</td>
<td>40 billion</td>
<td>200%</td>
</tr>
<tr>
<td>PT Lippo Cikarang</td>
<td>LPCK</td>
<td>600</td>
<td>2,400</td>
<td>8 month</td>
<td>2011-2011</td>
<td>75 billion</td>
<td>300%</td>
</tr>
<tr>
<td>PT Paninvest</td>
<td>PNLF</td>
<td>100</td>
<td>400</td>
<td>11 year</td>
<td>2011-2022</td>
<td>311 billion</td>
<td>300%</td>
</tr>
<tr>
<td>PT Petrosea</td>
<td>PTRO</td>
<td>1980</td>
<td>3,118</td>
<td>9 year</td>
<td>2013-2022</td>
<td>300 billion</td>
<td>57%</td>
</tr>
<tr>
<td>PT Indika Energy</td>
<td>INDY</td>
<td>110</td>
<td>600</td>
<td>9 year</td>
<td>2015-2015</td>
<td>250 billion</td>
<td>490%</td>
</tr>
<tr>
<td>PT Mitrabahita Segara</td>
<td>MBSS</td>
<td>300</td>
<td>660</td>
<td>4 year</td>
<td>2015-2019</td>
<td>37 billion</td>
<td>120%</td>
</tr>
<tr>
<td>PT Indika Energy</td>
<td>INDY</td>
<td>855</td>
<td>3,000</td>
<td>1 year</td>
<td>2017-2018</td>
<td>220 billion</td>
<td>2,600%</td>
</tr>
<tr>
<td>PT Indah Kiat Pulp &amp; P</td>
<td>INKP</td>
<td>1,000</td>
<td>11,000</td>
<td>2 year</td>
<td>2017-2018</td>
<td>350 billion</td>
<td>900%</td>
</tr>
<tr>
<td>PT Clipan Finance</td>
<td>CFIN</td>
<td>230</td>
<td>600</td>
<td>3 year</td>
<td>2020-2023</td>
<td>75 billion</td>
<td>160%</td>
</tr>
<tr>
<td>PT Bank Danamon</td>
<td>BDMN</td>
<td>1,670</td>
<td>3,250</td>
<td>1 year</td>
<td>2020-2021</td>
<td>158 billion</td>
<td>94%</td>
</tr>
<tr>
<td>PT Indo Tambangraya Mega</td>
<td>ITMG</td>
<td>6,000</td>
<td>14,250</td>
<td>9 month</td>
<td>2020-2020</td>
<td>137 billion</td>
<td>137%</td>
</tr>
<tr>
<td>PT Bumi Resources</td>
<td>BUMI</td>
<td>55</td>
<td>182</td>
<td>5 month</td>
<td>2022-2022</td>
<td>13 billion</td>
<td>231%</td>
</tr>
<tr>
<td>PT Perusahaan Gas Negara</td>
<td>PGAS</td>
<td>1,100</td>
<td>1,900</td>
<td>1 year</td>
<td>2021-2022</td>
<td>92 billion</td>
<td>72%</td>
</tr>
</tbody>
</table>

Source: Research results.

5.9 UNCOVERING PHILOSOPHY, BEHAVIOR, SECRETS OF SUCCESS, STRATEGIES, TECHNIQUES, AND HOW TO FIND STOCKS CAN MAKE BIG RETURNS

LKH’s philosophy in making stock investment decisions is quite simple and uncomplicated, only based on the principles of common sense, rational, not easy to panic, and the most important thing is to wait patiently. His philosophy of life is done casually, looking to profit from investing in stocks and getting rich while sleeping. When others struggle, working
from morning till night to make money, he simply invests his money in the Indonesia stock exchange and waits patiently, until his investment gives a profit according to the specified target. While he sleeps, the stocks he owns continue to work to provide dividends and capital gains. His behavior in daily life is frugal and simple, that is what gives true happiness to him. Even though he has trillions of assets, he always applies a frugal lifestyle. The secrets of success, strategies, techniques, moves and how to find stocks that can provide very large profits even up to thousands of percent, obtained very simply. In a seminar, LKH said he did not use special strategies, did not use difficult techniques, did not use difficult moves, everything was very simple, namely just by reading financial statements, looking at various news about stocks published in online and mass media. LKH explains how he analyzes financial statements using simple formulas, which can be seen in various free applications provided by securities companies and other general applications, so that he can find stocks that are of low value and have the potential to provide large profits. Data-data that are considered or analyzed include; Fundamentals of the company, earnings per shares, Valuation ratio, financial liquidity.

5.10 UNCOVER THE ROLE OF PEOPLE BEHIND LKH'S SUCCESS

To be able to conduct phenomenological research of the most successful investor on the Indonesia Stock Exchange, researchers need to have in-depth knowledge of stock trading transaction activities, ways to analyze fundamental financial statements and calculate the fair price of a stock and other things related to this study. Researchers are really actively involved with research subjects, especially to understand and explore the ways research subjects choose stocks, to get benefits in investing in stocks and prove directly that the profits obtained by research subjects continuously are not due to luck. In connection with the findings in an interview with LKH and an in-depth search of a legendary investor on the Indonesia stock exchange, a proposition can be prepared that can be trusted and substantiated, as follows:

**Major Proposition:** The key to LKH's success in investing shares on the Indonesia stock exchange is obtained by reading financial statements, annual reports and readings related to information of an issuer, thinking critically and analyzing, investing rationally and believing in the results of their own analysis, and daring to buy shares, and being able to control emotions, wait patiently and live a simple lifestyle.

Markowitz, (1952), put forward a very famous theory, the modern Portfolio Theory, this theory discusses that humans always invest at low risk and hope to get a high rate of return.
According to Graham, (2017), investing consists of three elements: analyze thoroughly before buying stocks, take action to protect yourself from large losses and set targets to achieve outstanding performance. When related to the proposition in this study, LKH's success as an investor in the Indonesia Stock Exchange is reflected by reading financial reports, annual reports and reading news related to the stocks he is targeting. Then he thinks rationally about the things he has read and does an in-depth analysis, until he manages to find stocks that he considers cheap, stocks that he considers mispriced and have low risk but it has a high margin of safety. Furthermore, LKH decided to invest based on the readings and analysis results carried out by itself, and if possible LKH made a visit to factories, mines or to the offices of the Company that were being targeted. Then with high confidence he dared to make a decision to buy the stocks he had analyzed, after that, he waited patiently until the price of the stock he bought rose to reach its fair price. With the simplicity of its lifestyle and way of investing, LKH has no burden, no worries and no excessive expectations of the stocks it invests in.

6 CONCLUSION

The background and process of LKH's interest in becoming an investor in the Indonesia stock exchange started from hearing his friends that buying shares can provide large profits in the form of capital gains. Then LKH participated in buying IPO shares, but several times buying shares turned out to be unsuccessful results because they did not use in-depth analysis, without reading and reviewing financial statements first. Failure did not make LKH stop, he tried again by studying diligently and carefully, reading the financial statements of issuers and reading the books of successful investors in Warren Buffett's world.

One of the secrets of success, the strategy in finding stocks that provide big profits is to read and look at financial statements, analyze deeply using simple fundamental analysis, look for stocks that are undervalued, among others what he prioritizes is to calculate valuation: PBV (Price Book Value) below 1x; High dividend yield and dividend payout ratio; High MOS ( Margin of Safety) above 50%; Low PER (Price Earnings Ratio) below 2x. Before investing, he will ensure the shares to be purchased by making a visit to the office, company, factory or to the mining site as well as monitoring performance and reviewing the integrity of the owner. People who play a role behind the success of LKH include: Warren Buffett, his wife, children and family. LKH indirectly learns and follows the value investing method and all the principles of Warren Buffett, an investor who has proven successful to become one of the richest people in the world. LKH read over and over again Warren Buffett's books, perused them and also...
adopted his simple lifestyle. In addition, his wife, children and family also play a role in supporting and giving LKH freedom to invest in the Indonesia capital market.

With his success as a stock investor on the Indonesia stock exchange, LKH has traveled from Sabang to Merauke (across Indonesian archipelago) sharing his knowledge to various universities, churches, business communities as well as to several communities and churches abroad.

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Successful Surfing in Capital Market: Phenomenological Study of Indonesian “Warren Buffett”

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