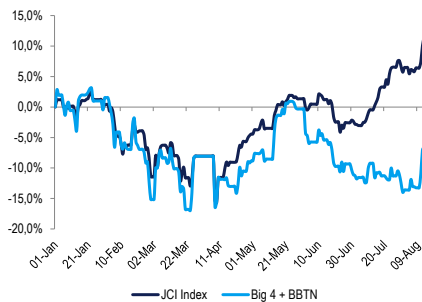


## Sector Update | 14 August 2025

## Sector Index Performance

	3M	6M	12M
Absolute	-2,9%	-1,2%	-18,1%
Relative to JCI	-16,5%	-20,6%	-24,8%



## Summary Valuation Metrics

P/E (x)	2025F	2026F	2027F
BMRI IJ	7.7	7.1	6.3
BBRI IJ	10.8	9.6	8.9
BBNI IJ	7.9	7.3	6.7
P/BV (x)	2025F	2026F	2027F
BMRI IJ	1.4	1.3	1.2
BBRI IJ	1.9	1.8	1.8
BBNI IJ	0.9	0.8	0.8
Div. Yield	2025F	2026F	2027F
BMRI IJ	9.6%	7.7%	8.4%
BBRI IJ	8.3%	7.9%	8.8%
BBNI IJ	5.2%	5.0%	5.5%

## Jovent Muliadi

PT Indo Premier Sekuritas  
[jovent.muliadi@ipc.co.id](mailto:jovent.muliadi@ipc.co.id)  
 +62 21 5088 7168 ext. 710

## Axel Azriel

PT Indo Premier Sekuritas  
[axel.azriel@ipc.co.id](mailto:axel.azriel@ipc.co.id)  
 +62 21 5088 7168 ext. 717

## Gabriella Alyssa

PT Indo Premier Sekuritas  
[gabriella.alyssa@ipc.co.id](mailto:gabriella.alyssa@ipc.co.id)  
 +62 21 5088 7168 ext. 715

## New housing KUR scheme is a big positive for BBTN

- Government through Coordinating Economic Ministry just recently issued the regulation for the new KUR housing program.
- The new KUR housing program is split into supply side i.e. developers, and demand side i.e. customers.
- Overall, we view that this program shall be accretive for BBTN while neutral for others.

## New KUR housing program

In-line with Government aspiration to build 3mn housing, the Coordinating Economic Ministry just published a regulation for the new KUR housing program. According to the news source ([link](#)), the target disbursement for this program is aimed to be at c.Rp130tr and with bulk of the target will come from the supply side at c.Rp117tr whereas the demand side will be at c.Rp13tr. If we assume Rp170mn/house, this shall add 688k house from supply side.

## Strict requirement for the eligibility

The new KUR housing program is separated between supply side and demand side. Those that eligible for supply side loan are developers, construction and building materials company. The size for the supply side loan is between Rp500mn to Rp5bn with maximum up to 4 cycles (Rp20bn); tenor is 4-7 years. Separately, those that eligible for demand side loan are: purchase of a house, renovation and/or construction of the house. The size for demand side loan is between Rp10mn to Rp500mn (max 1 cycle). Note that this program is only eligible for MSME business with no concurrent KUR facility/other government loan (hence the risk of overleveraging is minimized).

## Interest may be accretive especially for the supply

Based on the regulation, the supply side loan interest will be banks' commercial rate plus additional subsidy. Our channel check suggests that the subsidy for the supply side loan is c.5% which implies effective yield of 14-15% as current commercial rate for small developers is around 9-10%. Separately, the demand side loan will follow KUR small scheme: 6% paid by the customer along with 5.5% subsidy which translate to 11.5% effective rate. The insurance scheme is also mandatory for demand side loan whereas for the supply side is not mandatory as long as the collateral value is >100% of the disbursed loan (if its <100% is mandatory). We are positive on the insurance mechanism as this will protect banks' asset quality.

## A big positive BBTN but neutral for others

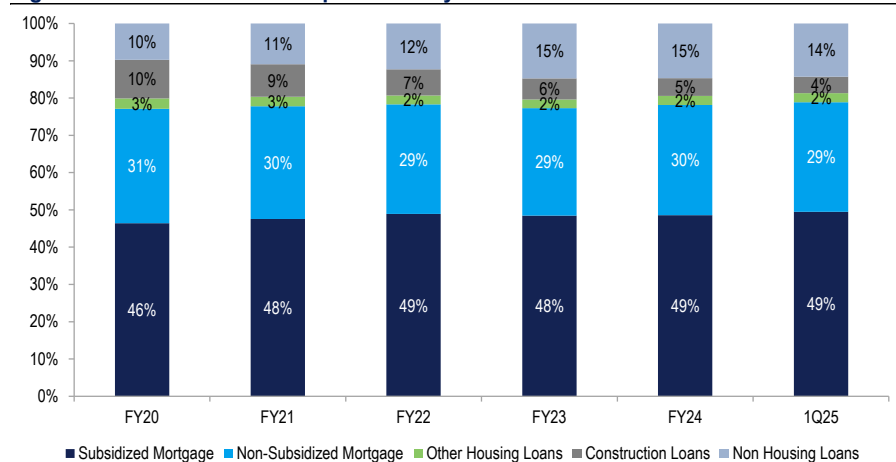
We think that this program shall be accretive for banks in general especially BBTN as both supply side loan (14-15%) and demand side loan (11.5%) interest rate are higher than current blended asset yield of 7.5-8%. Note that developers' loan only accounts for 4.5% of BBTN loan book (c.Rp16.2tr in 1Q25) and assuming BBTN able to disburse additional Rp20-30tr of developers' loan through this scheme (with 14% interest rate), we project overall NIM to increase by c.19bp and additional earnings by 24% in FY26F, all else being equal. We expect BBTN to be the prime beneficiary for this program given its status as the main mortgage government bank. Consequently, we expect neutral impact for other SOE banks given that this might only affect small portion of the overall loan book. Risk is slow disbursement of this program from lack of participation by developers.

**Fig. 1: Details about the housing KUR scheme**

Aspect	Housing KUR: Supply Side	Housing KUR: Demand Side
Recipients	M SMEs (individuals or businesses) for land acquisition, building materials, or goods/services for housing construction	M SMEs (individuals) for house purchase, construction, or renovation supporting business activities
Eligibility	Productive & feasible business; NPWP; NIB; ≥6 months operation; no negative credit info; not receiving KUR or other government credit simultaneously; allowed to have performing commercial loans	
National Target	c.Rp117tr	c.Rp13tr
Loan Ceiling per Draw	>Rp500mn to Rp5bn	>Rp10mn to Rp500mn
Total Draw Cap	Rp20bn (max 4 contracts)	Rp500mn (only 1contract)
Tenor	Up to 4 years (working capital) or 5 years (investment), extendable to 5 years and 7 years, respectively	Up to 5 years (extendable per agreement, but subsidy only for first 5 years)
Restructuring	Allowed (supplementary or extension) with same ceiling limits	
Guarantee/Insurance	Optional if collateral ≥ 100% of loan; mandatory if <100%	Mandatory for all
Suspension	If a distributor's Housing Program Credit NPL exceeds 5% for six consecutive months, the M SME Financing Policy Committee will suspend distribution until the NPL stays below 5% for three consecutive months	

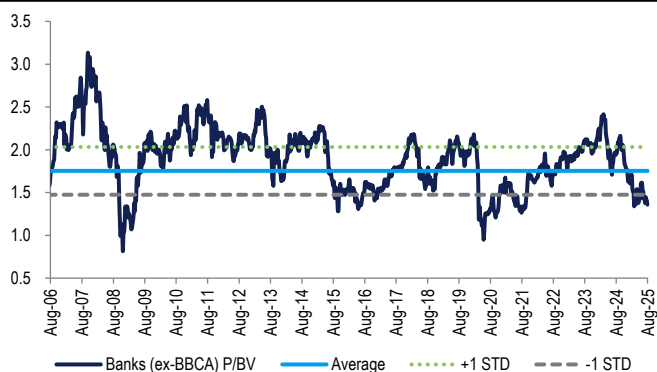
Source: Coordinating Ministry of Economy, Indo Premier

**Fig. 2: BBTN loan mix – developer loan only accounts 4% of total book**



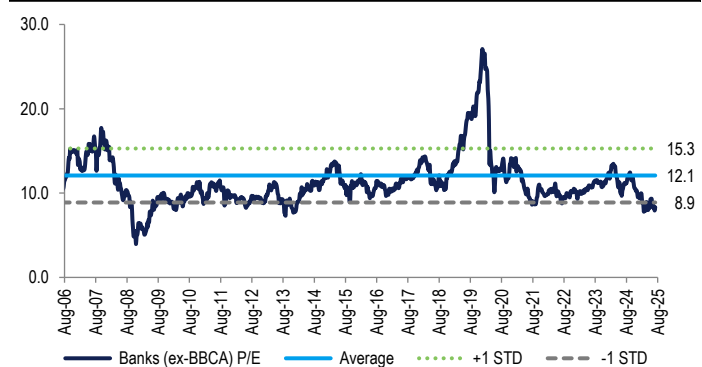
Source: Company, Indo Premier

**Fig. 3: Banks' (ex-BBCA) forward P/BV – now trading at 1.4x FY25F P/BV vs. 10-year average of 1.8x P/B**



Source: Bloomberg, Company, Indo Premier

**Fig. 4: Banks' (ex-BBCA) forward P/E – now trading at 8.3x FY25F P/E vs. 10-year average of 12.1x P/E**



Source: Bloomberg, Company, Indo Premier

Fig. 5: Peer comparison table

Ticker	Closing Price	Target Price	P/BV multiple target (x)	Upside	Recommendation	P/E (x)			P/BV (x)		
						FY25F	FY26F	10Y Avg	FY25F	FY26F	10Y Avg
BBCA	8.775	10.400	4,3	19%	Buy	18,9	17,4	21,3	3,9	3,6	3,8
BBRI	4.060	4.700	2,1	16%	Buy	10,8	9,6	14,7	1,9	1,8	2,4
BMRI	4.870	7.100	2,0	46%	Buy	7,7	7,1	11,6	1,4	1,3	1,6
BBNI	4.390	4.800	0,9	9%	Buy	7,9	7,3	10,4	0,9	0,8	1,1
BBTN	1.350	1.450	0,6	7%	Buy	5,8	5,3	6,9	0,5	0,5	0,8
BRIS*	2.770	3.500	2,7	26%	Buy	15,7	13,9	15,9	2,5	2,1	2,2

Source: Bloomberg, Company, Indo Premier  
\*3Y avg

Share price closing as of: 14 August 2025

## SECTOR RATINGS

- OVERWEIGHT : An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation
- NEUTRAL : A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation
- UNDERWEIGHT : An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation

## COMPANY RATINGS

- BUY : Expected total return of 10% or more within a 12-month period
- HOLD : Expected total return between -10% and 10% within a 12-month period
- SELL : Expected total return of -10% or worse within a 12-month period

## ANALYSTS CERTIFICATION

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

## DISCLAIMERS

This research is based on information obtained from sources believed to be reliable, but we do not make any representation or warranty nor accept any responsibility or liability as to its accuracy, completeness or correctness. Opinions expressed are subject to change without notice. This document is prepared for general circulation. Any recommendations contained in this document do not have any regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is not and should not be construed as an offer or a solicitation of an offer to purchase or subscribe or sell any securities. PT Indo Premier Sekuritas or its affiliates may seek or will seek investment banking or other business relationships with the companies in this report.