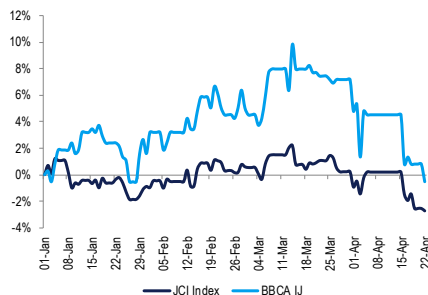


Stock Data

Target price	Rp10,400
Prior TP	Rp9,400
Current price	Rp9,350
Upside/downside	+11.2%
Shares outstanding (mn)	123,275
Market cap (Rp bn)	1,152,622
Free float	42%
Avg. 6m daily T/O (Rp bn)	880

Price Performance

	3M	6M	12M
Absolute	-2.9%	4.2%	2.5%
Relative to JCI	-0.7%	0.9%	-1.2%
52w low/high (Rp)	8,600 – 10,325		



Major Shareholders

PT Dwimuria Investama Andalan	54.9%
-------------------------------	-------

Jovent Muliadi

PT Indo Premier Sekuritas
jovent.muliadi@ipc.co.id
+62 21 5088 7168 ext. 710

Anthony

PT Indo Premier Sekuritas
anthony@ipc.co.id
+62 21 5088 7168 ext. 715

1Q24 results: in-line amid strong loan growth, stable NIM and benign CoC

- BBKA's 1Q24 net profit of Rp12.9tr (+12% yoy) was in-line with estimates (at 24%) driven by strong PPOP and lower provision.
- NIM was stable (yoy/qoq) at 5.6% in 1Q24 despite rising CoF environment and in-line with its target.
- LAR continued to trend down to 6.6% vs. 9.5/6.9% yoy in 1Q23/4Q23 with rising overall coverage. Maintain Buy with unchanged TP.

1Q24 results: in-line from strong loan growth and asset quality

BBKA posted 1Q24 net profit of Rp12.9tr profit (+12% yoy), in-line at 24% of our/consensus FY24F estimates. PPOP grew by 8% yoy driven by NII and non-II (both at +7% yoy) and mild opex growth (+4% yoy). Provisions dropped -30% yoy amid stellar asset quality. This translate to credit costs of 0.4% in 1Q24 (0.8/0.3% in 1Q23/FY23), in-line with its FY24F CoC guidance of 0.3-0.4%.

Stable NIM in 1Q24 despite rising CoF environment

NIM was flattish at 5.6% vs. 5.6/5.5% in 1Q23/FY23 as higher CoF (+20bp yoy/flat qoq) was offset by better asset yield (+10bp yoy/-20bp qoq) and higher LDR which stood at 75% in 1Q24 vs. 69/74% in 1Q23/4Q23. It maintains FY24F NIM guidance of 5.5-5.6%. Deposits grew by +8% yoy (+2% qoq), driven by TD (+11% yoy/flat qoq) though CASA (+7% yoy/+2% qoq) has gradually been improving – contrary to its peers.

Robust loan growth from all segments

Loan rose 17% yoy (+3% qoq) driven by all segments. The growth was led by corporate (+22% yoy/+6% qoq), followed by consumer (+15% yoy/+2% qoq), SME (+13% yoy/+2% qoq) and commercial (+9% yoy/-1% qoq). However, it maintains FY24F loan growth target at 9-10% which we think is too conservative.

LAR continued to trend down which led to low CoC

NPL stood at 1.9% in 1Q24 vs. 1.8/1.9% in 1Q23/4Q23 while total LAR continued to trend down in both yoy and qoq basis (6.6% in 1Q24 vs. 9.5/6.9% in 1Q23/4Q23). LAR coverage also stood at 71.9%, higher than 57.8/69.7% in 1Q23/4Q23. It guides for LAR to trend down to 4-6% level..

Maintain Buy with unchanged TP

We continue to like BBKA and maintain our Buy call following its strong set of results; of which we think the best among big 4. BBKA currently trades at 4.5x P/BV vs. 10Y avg of 3.8x but we believe that the premium is justified. Risk to our call is weaker NIM from competition in lending.

Financial Summary (Rp bn)	2022A	2023A	2024F	2025F	2026F
Net interest income	63,990	75,369	83,212	90,917	99,355
PPOP	54,994	62,605	71,041	78,572	85,470
Provision charges	(4,527)	(2,263)	(3,361)	(3,697)	(4,066)
Net profit	40,736	48,639	54,684	60,254	65,199
Net profit growth	30%	19%	12%	10%	8%
P/BV (x)	5.4	4.9	4.5	4.1	3.8
Dividend yield	1.7%	2.3%	3.0%	3.3%	3.7%
ROAE	19.2%	21.0%	21.6%	22.0%	22.0%
IPS vs. consensus			102%	104%	102%

Source: Company, Indo Premier

Share price closing as of: 22 April 2024

Fig. 1: BBKA 1Q24 results summary

BBKA 1Q24 result (in Rp bn)	1Q24	1Q23	%YoY	4Q23	%QoQ	IPS FY24F	% of IPS	Cons. FY24F	% of Cons.
Interest income	23,042	21,106	9%	22,836	1%	94,995	24%		
Interest expenses	(3,200)	(2,575)	24%	(3,375)	-5%	(12,019)	27%		
Net interest income	19,842	18,531	7%	19,462	2%	82,976	24%		
Non interest income	6,406	6,000	7%	5,640	14%	25,523	25%		
Total Income	26,249	24,531	7%	25,102	5%	108,499	24%		
Overhead Expenses	(9,345)	(8,951)	4%	(9,655)	-3%	(37,601)	25%		
Pre-provision profit	16,904	15,580	8%	15,447	9%	70,897	24%		
Loan loss provision	(1,025)	(1,460)	-30%	29	-3694%	(3,361)	30%		
Pretax Profit	15,879	14,120	12%	15,475	3%	67,537	24%	66,673	24%
Non operating	36	100	-64%	(306)	-112%				
Tax	(3,037)	(2,687)	13%	(2,952)	3%	(12,832)	24%		
Minority interests	1	(3)	-131%	1	27%	(21)	-5%		
Net Profit	12,879	11,530	12%	12,219	5%	54,684	24%	53,517	24%

Source: Company, Indo Premier

Fig. 2: BBKA 1Q24 balance sheet summary

Balance Sheet (in Rp tr)	1Q24	1Q23	%YoY	4Q23	%QoQ
Secondary reserves	451	456	-1%	441	2%
Gross Loan	836	714	17%	810	3%
Other assets and receivables	153	152	1%	157	-2%
Total Assets	1,440	1,322	9%	1,408	2%
Current Account (CA)	349	321	9%	349	0%
Savings Account (SA)	555	523	6%	536	4%
CASA	905	843	7%	885	2%
Time Deposits	216	195	11%	217	0%
Total deposits	1,121	1,039	8%	1,102	2%
Other liabilities&accrued	92	72	29%	64	44%
Total Liabilities	1,213	1,110	9%	1,166	4%
Equity	227	211	8%	242	-6%

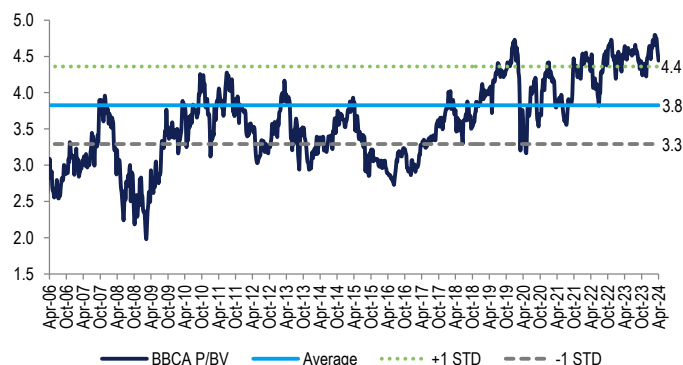
Source: Company, Indo Premier

Fig. 3: BBKA 1Q24 key ratios summary

Key Ratios (in %)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Asset Yield	5.8	5.9	6.2	6.6	6.8	6.9	6.9	7.1	6.9
Cost of Funds	0.8	0.8	0.8	0.8	1.0	1.2	1.2	1.2	1.2
NIM	4.9	5.0	5.1	5.3	5.6	5.6	5.5	5.5	5.6
CAR	24	25	25	26	29	30	30	29	26
LDR	64	67	67	68	69	69	70	74	75
Gross NPL	2.3	2.2	2.2	1.7	1.8	1.9	2.0	1.9	1.9
Special Mention	2.0	2.0	1.8	1.7	2.1	2.7	2.4	2.3	2.4
Coverage Ratio	245	246	248	287	285	257	227	234	220
CASA Ratio	80	81	81	82	81	81	80	80	81
Credit Costs (Q)	1.9	0.6	0.0	0.4	0.8	0.1	0.3	-0.1	0.4
Credit Costs (C)	1.9	1.2	0.8	0.7	0.8	0.5	0.4	0.3	0.4
Loan at risk (incl Covid)	13.8	12.3	11.7	10.0	9.5	8.7	7.9	6.9	6.6
Cost to income	36	34	35	34	35	33	34	34	32

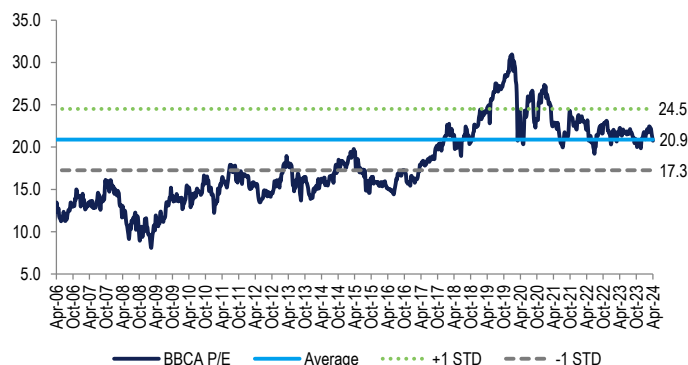
Source: Company, Indo Premier

Fig. 4: BBCA's P/BV – now trading at 4.5x FY24F P/BV vs. 10-year average of 3.8x P/BV



Source: Bloomberg, Company, Indo Premier

Fig. 5: BBCA's P/E – now trading at 21.1x FY24F P/E vs. 10-year average of 20.9x P/E



Source: Bloomberg, Company, Indo Premier

Fig. 6: Peers comparison

Ticker	Closing Price	Target Price	P/BV multiple target (x)	Upside	Recommendation	P/E (x)			P/BV (x)		
						FY24F	FY25F	10Y Avg	FY24F	FY25F	10Y Avg
BBCA	9,350	10,400	4.7	11%	Buy	21.1	19.1	20.9	4.5	4.1	3.8
BBRI	5,300	6,500	2.9	23%	Buy	11.9	10.6	14.7	2.4	2.3	2.4
BMRI	6,725	8,000	2.4	19%	Buy	10.0	8.9	11.8	2.0	1.8	1.6
BBNI	5,350	6,000	1.2	12%	Buy	8.6	7.9	10.7	1.2	1.1	1.1
BBTN	1,360	1,750	0.7	29%	Buy	4.9	4.5	7.0	0.6	0.5	0.8
BRIS*	2,540	2,600	2.4	2%	Buy	17.5	15.8	16.0	2.7	2.4	2.2

Source: Bloomberg, Company, Indo Premier

Share price closing as of: 22 April 2024

Income Statement (Rp bn)	2022A	2023A	2024F	2025F	2026F
Interest income	72,241	87,722	94,995	103,111	111,880
Interest expense	(8,252)	(12,353)	(12,019)	(12,927)	(13,931)
Net interest income	63,990	75,369	82,976	90,184	97,949
Non-interest income	23,487	23,911	25,523	27,150	29,017
Total operating income	87,476	99,280	108,499	117,333	126,966
Opex	(32,483)	(36,675)	(37,601)	(39,221)	(42,377)
PPOP	54,994	62,605	70,898	78,113	84,589
Provisions	(4,527)	(2,263)	(3,361)	(3,697)	(4,066)
Operating profit	50,467	60,342	67,537	74,416	80,522
Non-operating profit	-	-	-	-	-
Pre-tax profit	50,467	60,342	67,537	74,416	80,522
Income tax	(9,711)	(11,684)	(12,832)	(14,139)	(15,299)
Minority interest	(20)	(19)	(21)	(22)	(24)
Net profit	40,736	48,639	54,684	60,254	65,199

Balance Sheet (Rp bn)	2022A	2023A	2024F	2025F	2026F
Cash + CA with BI	125,470	109,946	116,771	122,932	132,758
Secondary reserves	447,118	454,642	472,828	491,741	506,493
Gross loans	702,513	800,163	880,179	968,197	1,065,017
Loan provisions	(34,430)	(33,101)	(32,421)	(31,673)	(30,850)
Other assets	74,060	78,517	82,434	86,675	91,270
Total Assets	1,314,732	1,408,107	1,519,790	1,637,873	1,764,688
Total deposits	1,047,654	1,112,085	1,201,052	1,297,136	1,400,907
Securities and borrowings	1,573	1,573	1,573	1,573	1,573
Other liabilities	44,323	52,093	51,940	51,940	51,940
Total liabilities	1,093,550	1,165,751	1,254,565	1,350,649	1,454,420
Shareholders' equity	221,182	242,356	265,226	287,224	310,269
Total liabilities & equity	1,314,732	1,408,107	1,519,790	1,637,873	1,764,688

Growth YoY	2022A	2023A	2024F	2025F	2026F
Gross loans	11.8%	13.9%	10.0%	10.0%	10.0%
Total assets	7.0%	7.1%	7.8%	7.8%	7.7%
Total deposits	6.3%	6.0%	8.0%	8.0%	8.0%
Net interest income	14.0%	17.5%	10.1%	8.7%	8.6%
Non-interest income	5.1%	5.5%	6.7%	6.4%	6.9%
Total operating income	29.9%	14.4%	11.9%	10.2%	8.2%
Operating expense	7.2%	15.1%	2.5%	4.3%	8.0%
PPOP	14.2%	13.9%	13.2%	10.2%	8.3%
Net profit	29.6%	19.4%	12.4%	10.2%	8.2%

Key Ratios	2022A	2023A	2024F	2025F	2026F
ROAA	3.2%	3.6%	3.7%	3.8%	3.8%
ROAE	19.2%	20.9%	21.5%	21.8%	21.8%
NIM	5.3%	5.5%	6.0%	6.0%	6.0%
Credit cost	0.7%	0.3%	0.4%	0.4%	0.4%
Cost/income	33.9%	33.8%	34.7%	33.4%	33.4%
LDR	65.2%	70.2%	73.3%	74.6%	76.0%
CAR	25.8%	29.4%	21.3%	21.4%	21.4%
NPL ratio	1.7%	1.9%	1.9%	1.8%	1.7%
Provisions/NPL	286.9%	234.1%	189.8%	178.6%	167.1%

Source: Company, Indo Premier

INVESTMENT 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.