

Bank Central Asia Tbk (BBCA)

Performa Solid Sepanjang Tahun Pandemi

BBCA masih mampu membukukan kinerja yang solid di tengah tahun pandemi, yang ditandai dengan kenaikan PPOP sebesar 11,2% yoy. Laba bersih tahun 2020 tertekan sebesar 5% menjadi Rp 27,1 Trilyun, namun penurunan ini masih jauh lebih rendah dibandingkan bank-bank besar lainnya. Kualitas kredit serta margin bunga bersih yang masih relatif terjaga baik menjadi pondasi baik menghadapi tahun 2021. Perseroan menetapkan pertumbuhan kredit yang konservatif di kisaran 4-6%.

Performa Solid di Tahun Pandemi, PPOP Tumbuh Dua Digit

- Sepanjang tahun 2020, BBCA masih mampu menorehkan kinerja yang solid, dengan PPOP tumbuh 11,2% yoy menjadi Rp 45,4 Trilyun. Namun kenaikan beban provisi yang tidak dapat dihindari (meningkat 152,3% menjadi Rp 11,2 Trilyun); menyebabkan laba bersih tergerus sebesar 5% ke angka Rp 27,1 Trilyun.
- Pendapatan operasional tercatat tumbuh 5,1% pada FY20 ditopang oleh *Net Interest Income* yang naik 7,3% (Rp 54,5 T vs Rp 50,8 T di FY19). Sementara itu, pendapatan non-bunga turun tipis menjadi Rp 20,2 T (-0,5% yoy).
- Dari sisi margin, rasio NIM masih relatif terjaga meski turun 50 bps menjadi 5,7%. Hal ini didukung oleh turunnya beban dana (*cost of fund*) menjadi 1,42% (vs 1,93% pada FY19).

Segmen Korporasi masih Tumbuh, Kualitas Aset Terjaga

- Di tengah penurunan outstanding loan sebesar 2,5% yoy; kredit korporasi menjadi satu-satunya segmen yang masih mampu tumbuh menjadi Rp 255,1 Trilyun (+7,7% yoy).
- NPL gross mengalami kenaikan sebesar 50 bps menjadi 1,8%; dimana segmen Perdagangan, Restoran, dan Hotel memiliki tingkat NPL tertinggi sebesar 3,8%. Di sisi lain *NPL Coverage* juga meningkat menjadi 260,9%.

Transaksi Digital Banking mendorong Pertumbuhan CASA

- Pada FY20, Dana Pihak Ketiga (DPK) tumbuh pesat sebesar 19,3% menjadi Rp 840,7 T (vs Rp 704,8 T di FY19). Porsi dana murah juga meningkat, dengan rasio CASA sebesar 76,6%.
- Nilai transaksi melalui *Internet Banking* dan *Mobile Banking* masing-masing meningkat sebesar 5,7% dan 28,9%. Sebaliknya, di tengah tahun pandemi, transaksi melalui cabang turun 14,7%.

Menaikkan Rating menjadi *Overweight* dengan TP di Rp 38,000

- Kami menaikkan rating terhadap BBCA dari *Hold* menjadi *Overweight* dengan target harga 12 bulan Rp 38,000. Target harga kami mencerminkan forward P/B sebesar 4,5x. Kami optimis bahwa kemampuan BBCA dalam menjaga kualitas kredit dan biaya dana akan menjadi pondasi yang baik di tahun 2021. Perseroan menetapkan pertumbuhan target kredit di kisaran 4-6%.
- Faktor-faktor resiko dalam target harga kami antara lain: 1) Pemulihan ekonomi 2021 yang dibawah ekspektasi; 2) Penurunan kualitas aset pada kredit terdampak Covid-19; 3) Perubahan kebijakan suku bunga dari Bank Indonesia.

Bank Central Asia Tbk | Summary (IDR bn)

	2019/12A	2020/12A	2021/12E	2022/12E
Interest Income	63,838	65,403	69,047	74,934
<i>Interest Income growth</i>	12.5%	2.5%	5.6%	8.5%
Operating Revenue	71,623	75,165	76,936	84,949
Net profit	28,565	27,131	29,977	34,658
EPS (IDR)	1,159	1,100	1,216	1,406
<i>EPS growth</i>	10.5%	-5.0%	10.5%	15.6%
BVPS (IDR)	7,063	7,492	8,455	9,546
Net Interest Margin	6.1%	5.7%	5.0%	5.0%
Loan/Deposits	84.9%	69.4%	67.3%	67.4%
NPL	1.3%	1.7%	1.7%	1.7%
ROE	17.5%	15.1%	15.2%	15.6%
ROA	3.3%	2.7%	2.7%	2.8%
Non-Int. Inc. /Op. Rev	29.5%	27.9%	29.3%	29.8%
P/E	28.8x	30.8x	31.3x	27.0x
P/BV	4.7x	4.5x	4.5x	4.0x
DPS (IDR)	555	451	498	576
<i>Dividend yield</i>	1.7%	1.3%	1.3%	1.5%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer



Company Report | 24 February 2021

Overweight

Target Price (IDR)	38,000
Consensus Price (IDR)	37,849
TP to Consensus Price	+0.4%
vs. Last Price	+11.4%

Shares data

Last Price (IDR)	34,125
Price date as of	Feb 23, 2021
52 wk range (Hi/Lo)	36,900 / 21,625
Free float (%)	44.8
Outstanding sh.(mn)	24,655
Market Cap (IDR bn)	842,585
Market Cap (USD mn)	59,040
Avg. Trd Vol - 3M (mn)	19.11
Avg. Trd Val - 3M (bn)	648.2
Foreign Ownership	25.5%

Financial Services

Banking

Bloomberg	BBCA IJ
Reuters	BBCA.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	0.8%	-3.6%	3.4%	4.6%
Rel. Ret.	-4.4%	-3.4%	-7.9%	0.1%

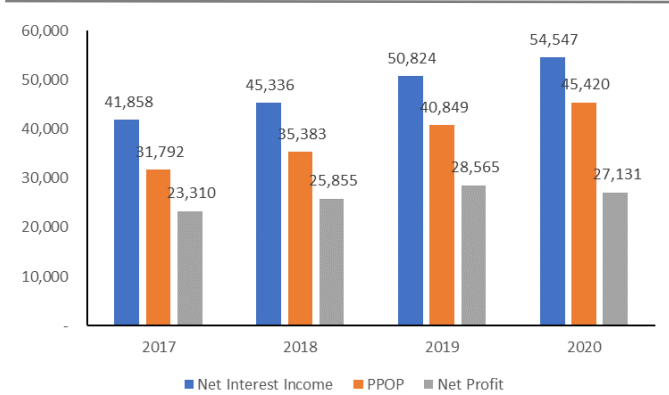
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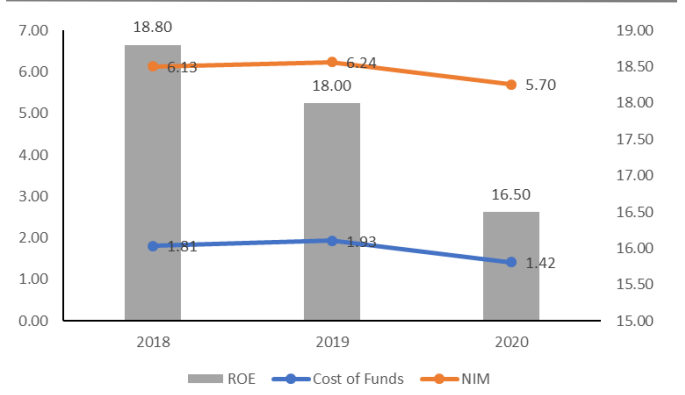
Performance Highlights

Financial Performance (IDR Billion)



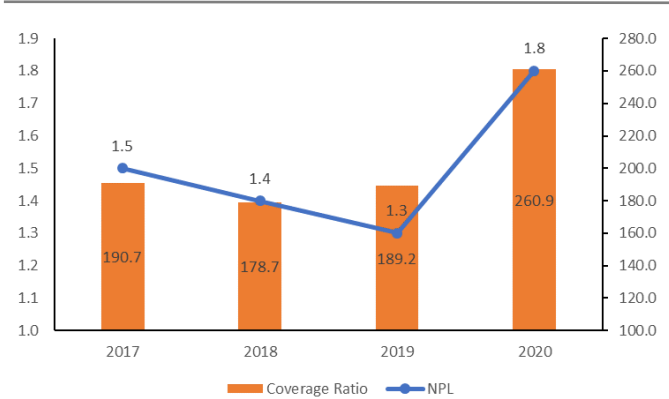
Source: Company, NHKSI Research

Profitability Ratios (%)



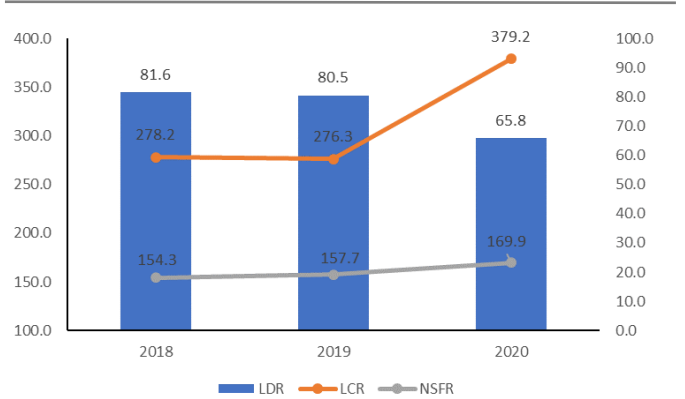
Source: Company, NHKSI Research

Asset Quality (%)



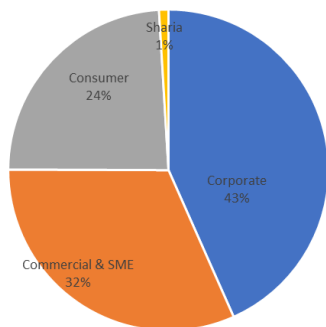
Source: Company, NHKSI Research

Liquidity (%)



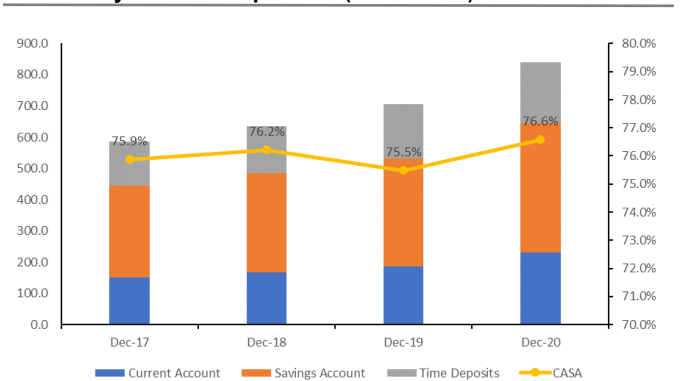
Source: Company, NHKSI Research

Loan Composition by Segment



Source: Company, NHKSI Research

Third Party Funds Composition (IDR Trillion)



Source: Company, NHKSI Research

Company Overview

PT Bank Central Asia Tbk (BBCA) mulai beroperasi pada tanggal 21 Februari 1957 dan berkantor pusat di Jakarta. Saat ini, BBCA merupakan bank swasta terbesar di Indonesia dengan dukungan kekuatan jaringan cabang, ATM, dan perbankan elektronik. Berbagai produk dan layanan BBCA telah dikenal masyarakat luas, seperti: Debit BCA, KlikBCA (*internet banking*), serta M-BCA (*mobile banking*).



Pada tahun 2000, perseroan melakukan penawaran saham publik perdana (IPO) dengan melepas 22,5% saham ke publik. Divestasi ini dilanjutkan pada tahun 2001 dengan pelepasan 10% saham melalui Penawaran Publik Kedua (*Secondary Public Offering*). BBCA juga memiliki beberapa anak perusahaan di bidang keuangan, antara lain: BCA Finance, Bank BCA Syariah, BCA Sekuritas, dan Asuransi Umum BCA.

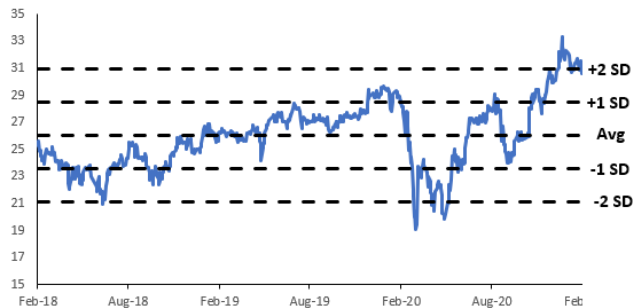
ASEAN Banking Peers (as of 22 February 2021)

Company	Ticker	Market Cap (USD Mn)	Total Assets (USD Mn)	Net Income LTM (USD Mn)	ROE (%)	P/E (x)	P/B (x)	Dividend Yield LTM (%)
INDONESIA								
BANK CENTRAL ASIA TBK PT	BBCA IJ	59,589	77,240	1,864	15.1	31.0	4.6	1.6
BANK NEGARA INDONESIA PERSER	BBNI IJ	7,931	64,010	225	2.8	34.1	1.0	3.4
BANK MANDIRI PERSERO TBK PT	BMRI IJ	21,417	102,645	1,176	8.7	17.7	1.6	5.5
BANK RAKYAT INDONESIA PERSER	BBRI IJ	42,393	108,568	1,280	9.2	31.9	3.0	3.5
SINGAPORE								
DBS GROUP HOLDINGS LTD	DBS SP	49,521	491,893	3,448	8.9	13.8	1.2	4.0
UNITED OVERSEAS BANK LTD	UOB SP	30,055	309,261	2,222	8.4	12.4	1.0	4.8
OVERSEA-CHINESE BANKING CORP	OCBC SP	35,947	372,904	2,550	8.0	12.7	1.0	4.1
MALAYSIA								
CIMB GROUP HOLDINGS BHD	CIMB MK	10,291	144,524	430	3.3	22.7	0.8	2.9
THAILAND								
BANGKOK BANK PUBLIC CO LTD	BBL TB	7,664	127,453	543	3.9	13.4	0.5	4.2
SIAM COMMERCIAL BANK PUB CO	SCB TB	11,540	109,298	877	6.7	12.7	0.8	3.9

Source: Bloomberg

Multiple Valuation

P/E Ratio Band | Last 3 Years



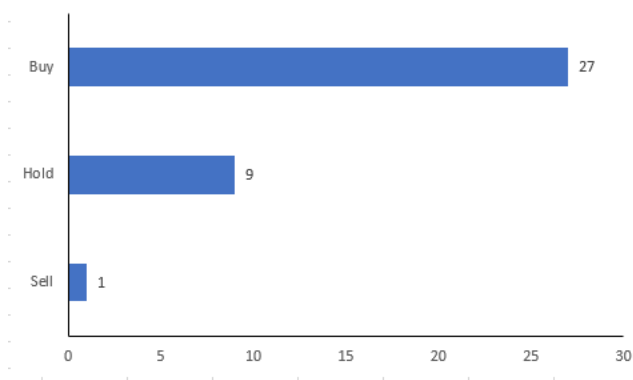
Source: Bloomberg, NHKSI research

P/BV Band | Last 3 Years



Source: Bloomberg, NHKSI research

Analyst Coverage Rating



Source: Bloomberg

Closing and Target Price



Source: NHKSI research

Rating and Target Price Update

Target Price Revision

Date	Rating	Target Price	Last Price	Consensus	vs Last Price	vs Consensus
03/07/2020	Hold	30,100	28,475	30,057	+5.7%	+0.1%
12/07/2020	Hold	34,000	30,900	32,464	+10.0%	+4.7%
13/11/2020	Hold	34,000	33,000	34,108	+3.0%	-0.3%
24/02/2021	Overweight	38,000	34,125	37,849	+11.4%	+0.4%

Source: NHKSI Research, Bloomberg

Summary of Financials

INCOME STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12E	2022/12E
Interest Income	63,838	65,403	69,047	74,934
<i>Growth (% y/y)</i>	12.5%	2.5%	5.6%	8.5%
Interest Expenses	13,360	11,242	14,669	15,314
Net Interest Income	50,477	54,161	54,378	59,620
<i>Net Interest Margin</i>	6.1%	5.7%	5.0%	5.0%
Net Fee Income	13,608	13,160	14,682	16,694
Trading Income	3,456	4,303	4,320	4,736
Other Operating Income	4,080	3,541	3,556	3,898
Operating Revenue	71,623	75,165	76,936	84,949
Operating Expenses	(30,742)	(29,969)	(30,675)	(33,869)
Pre-provisioning OP	40,880	45,197	46,261	51,079
Provision for Impairment	(4,591)	(11,628)	(10,140)	(10,369)
EBT	36,289	33,569	36,122	40,711
Income Tax	(7,719)	(6,421)	(6,136)	(6,044)
Non-controlling Interest	(5)	(16)	(9)	(8)
Net Profit	28,565	27,131	29,977	34,658
<i>Growth (% y/y)</i>	10.5%	-5.0%	10.5%	15.6%

BALANCE SHEET

(IDR bn)	2019/12A	2020/12A	2021/12E	2022/12E
Cash	25,421	24,322	24,104	33,745
Placement in Banks	89,375	86,905	91,167	98,828
Net Loans	582,716	555,350	565,895	613,975
Investment	161,390	343,128	408,381	452,089
Fixed Asset	20,852	23,545	24,636	23,786
Other Assets	39,236	42,319	46,603	50,418
Total Assets	918,990	1,075,570	1,160,786	1,272,842
Deposits	711,512	850,916	909,678	990,982
Debt	5,000	2,037	4,875	5,313
Other liabilities	28,334	37,902	37,779	41,179
Total Liabilities	744,846	890,856	952,332	1,037,475
Capital Stock & APIC	1,541	1,541	1,541	1,541
Retained Earnings	155,114	160,540	146,741	168,507
Shareholders' Equity	174,144	184,715	208,454	235,366

CASH FLOW STATEMENT

(IDR bn)	2019/12A	2020/12A	2021/12E	2022/12E
Operating Cash Flow	37,044	(99,909)	44,792	45,766
Investing Cash Flow	(91,148)	(32,389)	(100,963)	(110,122)
Financing Cash Flow	63,978	123,606	55,255	73,997
Net Changes in Cash	9,875	(8,692)	(916)	9,641

Source: NHKSI research

PROFITABILITY & STABILITY

	2019/12A	2020/12A	2021/12E	2022/12E
ROE	17.5%	15.1%	15.2%	15.6%
ROA	3.3%	2.7%	2.7%	2.8%
Non-Int. Inc. /Op. Rev	29.5%	27.9%	29.3%	29.8%
Cost/Income	42.9%	39.9%	39.9%	39.9%
Cash Dividend (IDR bn)	13,684	11,124	12,290	14,210
Dividend Yield (%)	1.7%	1.3%	1.3%	1.5%
Payout Ratio (%)	47.9%	41.0%	41.0%	41.0%
Loan/Deposits	84.9%	69.4%	67.3%	67.4%
Loan/Assets	65.1%	54.2%	52.5%	52.2%
NPL	1.3%	1.7%	1.7%	1.7%
Loan Loss Res./Loan	2.6%	4.8%	7.1%	7.6%
CASA/Deposits	75.5%	76.6%	77.4%	78.4%
Time Deposits/Deposits	24.5%	23.4%	22.6%	21.6%
Par Value (IDR)	63	63	63	63
Total Shares (mn)	24,655	24,655	24,655	24,655
Share Price (IDR)	33,425	33,850	38,000	38,000
Market Cap (IDR tn)	824.1	834.6	936.9	936.9

VALUATION INDEX

	2019/12A	2020/12A	2021/12E	2022/12E
Price /Earnings	28.8x	30.8x	31.3x	27.0x
Price /Book Value	4.7x	4.5x	4.5x	4.0x
Price/Op. Revenue	11.5x	11.1x	12.2x	11.0x
PE/EPS Growth	2.7x	-6.1x	3.0x	1.7x
EV/Operating Revenue	11.2x	10.8x	11.9x	10.7x
EV/PPOP	19.7x	18.0x	19.8x	17.8x
EV (IDR bn)	803,773	812,405	917,798	908,613
Op. Rev. CAGR (3-Yr)	10.0%	9.7%	6.9%	5.9%
EPS CAGR (3-Yr)	11.5%	5.2%	5.1%	6.7%
Basic EPS (IDR)	1,159	1,100	1,216	1,406
Diluted EPS (IDR)	1,159	1,100	1,216	1,406
BVPS (IDR)	7,063	7,492	8,455	9,546
Op. Revenue PS (IDR)	2,905	3,049	3,121	3,445
DPS (IDR)	555	451	498	576

OWNERSHIP

By Geography	% Shareholders	%
Indonesia	74.5	Republic of Indonesia 54.9
United States	12.2	Vanguard Group Inc 1.7
Luxembourg	4.6	JP Morgan Chase & Co 1.6
United Kingdom	3.2	Others 41.8

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1. Based on a stock's forecasted absolute return over a period of 12 months from the date of publication.
2. Rating system based on a stock's potential upside from the date of publication
 - Buy : Greater than +15%
 - Overweight : +5% to 15%
 - Hold : -5% to +5%
 - Underweight : -5% to -15%
 - Sell : Less than -15%

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