

Bank Central Asia Tbk (BBCA)

Pertumbuhan Kredit Terbaik di 3Q21

BBCA mencatatkan laba bersih 9M21 senilai IDR 23,2 triliun, memenuhi 70% dari estimasi kami, seiring keberhasilan menekan beban bunga turun 15,6% YoY. Kualitas aset yang membaik, mendorong PPOP tumbuh 7,7% YoY dan beban provisi turun 16,2% YoY. BBCA berhasil menghadapi tantangan PPKM darurat 3Q21, dan kami melihat akan banyak perbaikan pada 4Q21. NHKSI Research mempertahankan estimasi, dengan menaikkan TP menjadi IDR 8.375 untuk periode 12 bulan mendatang.

Kredit 3Q21 Mendongkrak Pertumbuhan YtD

- Hingga 3Q21, BBCA catatkan penyaluran kredit senilai IDR 605,9 triliun atau tumbuh 2,1% QoQ. Pertumbuhan kredit 3Q21, merepresentasikan lebih 70% dari pertumbuhan kredit tahun 2021 yang tumbuh 2,9% YtD.
- Adapun secara tahunan, pertumbuhan kredit 3Q21 sebesar 4,1% YoY, atau pertumbuhan positif pertama sejak 2Q20 yang tumbuh 5,2% YoY. Wabah pandemi menekan penyaluran kredit BBCA turun dalam kisaran -0,3% hingga -4,2% selama periode 3Q20 hingga 2Q21.
- Segment korporasi sebagai porsi terbesar, catatkan pertumbuhan kredit 3Q21 hingga 5,8% YtD. Sementara LDR relatif stabil di level 62%, dengan kami estimasikan naik menjadi 68% pada 4Q21, seiring pemulihan ekonomi domestik.

Kualitas Aset Membaik

- LAR BBCA turun menjadi 17,1% hingga September 2021, atau membaik dibanding semester pertama 2021 yang di level 19,1%. Sementara, kredit yang direstrukturisasi menurun dari IDR 88,9 triliun per September 2021, dari akhir tahun 2020 senilai IDR 97,5 triliun.
- Kualitas aset membaik juga terlihat dari NPL terjaga di level 2,4%. Adapun NPL tertinggi masih terjadi pada bidang usaha sektor manufaktur dan perdagangan.
- Sementara itu, pertumbuhan dana murah masih mendominasi, dengan CASA tumbuh 21,0% YoY, dan time deposits sebesar 9,7% YoY. Secara keseluruhan, dana pihak ketiga tumbuh sebesar 18,3% menjadi senilai IDR 923,7 triliun.

Mempertahankan *Overweight* dengan TP IDR 8.375

- Kami mempertahankan rating *Overweight* dengan menaikkan target harga menjadi IDR 8.375/lembar. Target harga kami mencerminkan forward PBV FY21/22 pada level 4,7x/4,1x.
- Beberapa faktor resiko terhadap TP kami antara lain: 1) Restrukturisasi kredit yang masih berjalan hingga 1Q22; 2) NPL dan NIM yang tertekan; 3) Persaingan mendapatkan dana murah di tengah tren suku bunga rendah.

Bank Central Asia Tbk | Summary (IDR bn)

	2020/12A	2021/12E	2022/12E	2023/12E
Interest Income	65,403	69,105	75,273	82,761
<i>Interest Income growth</i>	2.5%	5.7%	8.9%	9.9%
Operating Revenue	75,165	80,661	88,122	96,394
Net profit	27,131	33,457	37,660	41,790
EPS (IDR)	220	271	305	339
<i>EPS growth</i>	-5.0%	23.3%	12.6%	11.0%
BVPS (IDR)	1,498	1,787	2,020	2,273
Net Interest Margin	5.7%	5.2%	5.2%	5.1%
Loan/Deposits	69.4%	67.4%	67.8%	68.5%
NPL	1.7%	2.4%	2.2%	2.2%
ROE	15.1%	16.5%	16.0%	15.8%
ROA	2.7%	3.0%	3.1%	3.1%
Non-Int. Inc. /Op. Rev	27.9%	29.3%	29.8%	29.8%
P/E	30.8x	30.9x	27.4x	24.7x
P/BV	4.5x	4.7x	4.1x	3.7x
DPS (IDR)	90	111	125	139
<i>Dividend yield</i>	1.3%	1.3%	1.5%	1.7%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Overweight

Target Price (IDR)	8,375
Consensus Price (IDR)	7,773
TP to Consensus Price	-7.2%
Potential Upside	+12.4%

Shares data

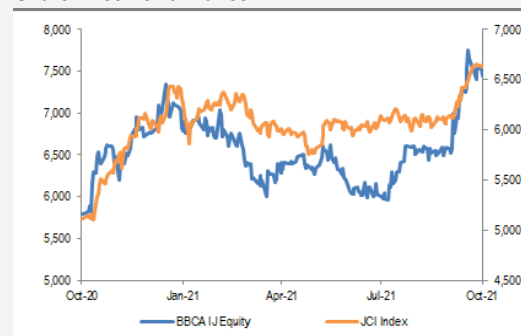
Last Price (IDR)	7,450
Price date as of	Oct. 27, 2021
52 wk range (Hi/Lo)	8,250 / 5,720
Free float (%)	44.9
Outstanding sh. (mn)	123,275
Market Cap (IDR bn)	912,235
Market Cap (USD mn)	64,246
Avg. Trd Vol - 3M (mn)	84.96
Avg. Trd Val - 3M (bn)	573.8
Foreign Ownership	26.1%

Financial Services

Banking

Bloomberg	BBCA IJ
Reuters	BBCA.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	10.0%	13.2%	24.1%	28.7%
Rel. Ret.	-0.4%	5.4%	15.8%	-0.4%

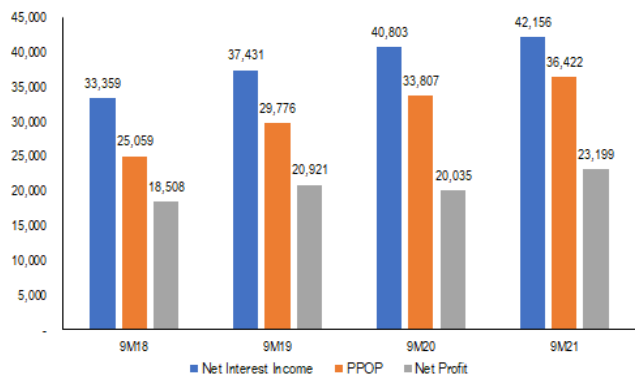
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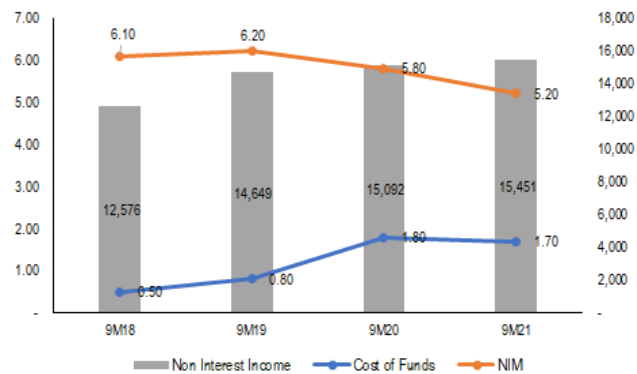
Performance Highlights

Financial Performance (IDR Billion)



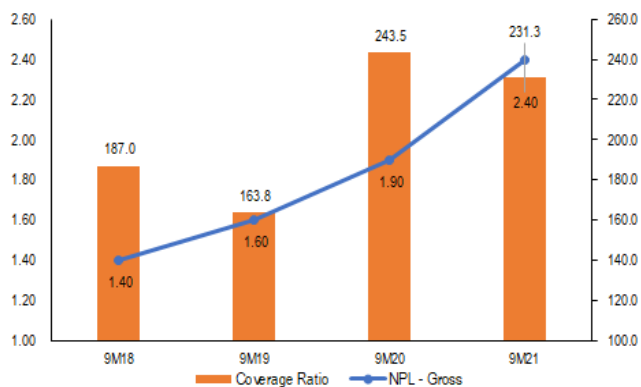
Source: Company, NHKSI Research

Profitability Ratios (%)



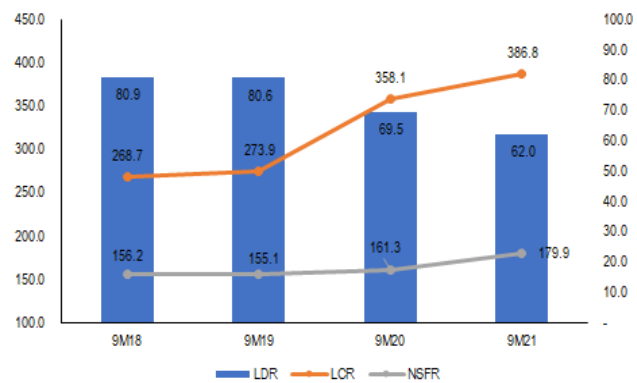
Source: Company, NHKSI Research

Asset Quality (%)



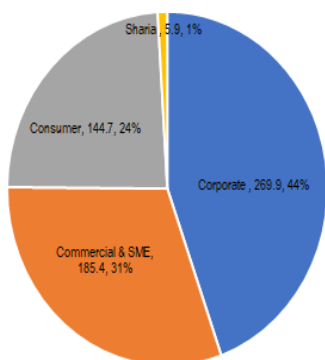
Source: Company, NHKSI Research

Liquidity (%)



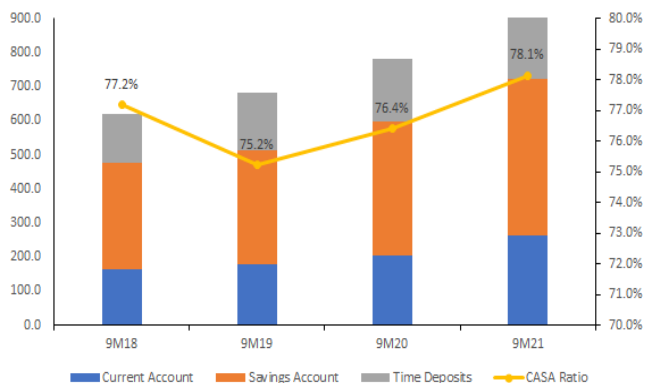
Source: Company, NHKSI Research

Loan Composition by Segment (IDR Tn)



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.

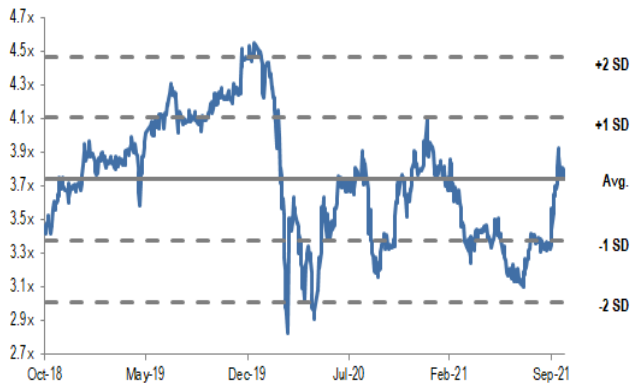
ASEAN Banking Peers (as of 27 October 2021)

Company	Ticker	Market Cap (USD Mn)	Total Assets (USD Mn)	Net Interest Margin (LTM)	ROE (%)	P/E (x)	P/B (x)	Dividend Yield LTM (%)
INDONESIA								
BANK CENTRAL ASIA TBK PT	BBCA IJ	64,626	77,240	5.4%	16.41%	30.3x	4.6x	1.4%
BANK NEGARA INDONESIA PERSER	BBNI IJ	9,284	64,010	5.5%	5.8%	19.6x	1.1x	0.6%
BANK MANDIRI PERSERO TBK PT	BMRI IJ	23,479	102,645	5.1%	10.5%	17.3x	1.8x	3.1%
BANK RAKYAT INDONESIA PERSER	BBRI IJ	45,667	108,568	5.7%	10.1%	22.5x	1.9x	2.2%
SINGAPORE								
DBS GROUP HOLDINGS LTD	DBS SP	60,426	491,893	1.4%	10.8%	13.4x	1.4x	2.7%
UNITED OVERSEAS BANK LTD	UOB SP	33,295	326,810	1.6%	8.5%	13.7x	1.1x	3.7%
OVERSEA-CHINESE BANKING CORP	OCBC SP	39,917	394,608	1.6%	8.7%	12.4x	1.0x	3.4%
MALAYSIA								
CIMB GROUP HOLDINGS BHD	CIMB MK	12,729	149,821	2.2%	6.9%	13.3x	0.9x	2.9%
THAILAND								
BANGKOK BANK PUBLIC CO LTD	BBL TB	7,038	127,453	1.6%	4.9%	10.4x	0.5x	2.8%
SIAM COMMERCIAL BANK PUB CO	SCB TB	12,519	109,298	2.7%	7.9%	12.8x	1.0x	3.0%

Source: Bloomberg

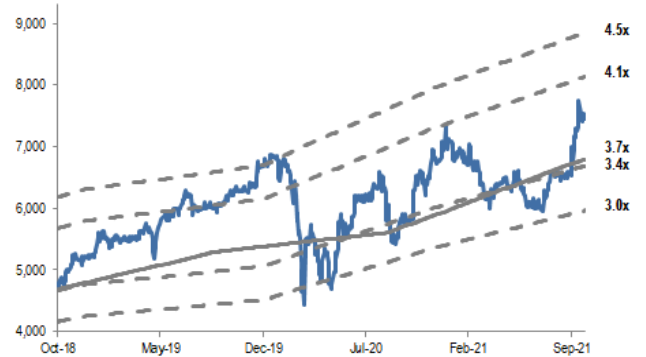
Multiple Valuation

P/E Ratio Band | Last 3 Years



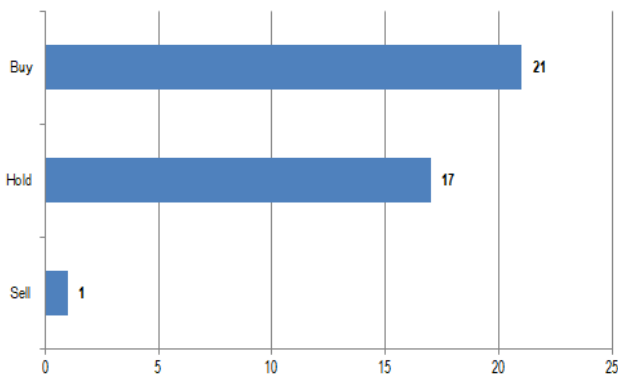
Source: Bloomberg, NHKSI research

P/BV Band | Last 3 Years



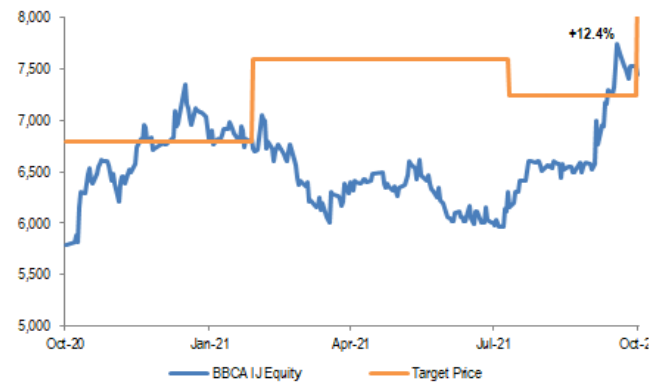
Source: Bloomberg, NHKSI research

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	Potential Upside	vs Consensus
12/07/2020	Overweight	6,800	6,180	6,493	+10.0%	+4.7%
13/11/2020	Hold	6,800	6,600	6,822	+3.0%	-0.3%
24/02/2021	Overweight	7,600	6,825	7,570	+11.4%	+0.4%
06/08/2021	Overweight	7,240	6,300	7,307	+14.9%	-0.9%
28/10/2021	Overweight	8,375	7,450	7,773	+12.4%	-7.2%

Source: NHKSI Research, Bloomberg

Summary of Financials

INCOME STATEMENT					PROFITABILITY & STABILITY					
(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E		2020/12A	2021/12E	2022/12E	2023/12E	
Interest Income	65,403	69,105	75,273	82,761	ROE	15.1%	16.5%	16.0%	15.8%	
<i>Growth (% y/y)</i>	2.5%	5.7%	8.9%	9.9%	ROA	2.7%	3.0%	3.1%	3.1%	
Interest Expenses	11,242	12,094	13,425	15,108	Non-Int. Inc. /Op. Rev	27.9%	29.3%	29.8%	29.8%	
Net Interest Income	54,161	57,011	61,848	67,653	Cost/Income	39.9%	39.9%	39.9%	39.9%	
<i>Net Interest Margin</i>	5.7%	5.2%	5.2%	5.1%	Cash Dividend (IDR bn)	11,124	13,717	15,440	17,134	
Net Fee Income	13,160	15,393	17,317	18,943	Dividend Yield (%)	1.3%	1.3%	1.5%	1.7%	
Trading Income	4,303	4,529	4,913	5,375	Payout Ratio (%)	41.0%	41.0%	41.0%	41.0%	
Other Operating Income	3,541	3,728	4,044	4,424	Loan/Deposits	69.4%	67.4%	67.8%	68.5%	
Operating Revenue	75,165	80,661	88,122	96,394	Loan/Assets	54.2%	52.0%	52.0%	52.1%	
Operating Expenses	(29,969)	(32,160)	(35,135)	(38,433)	NPL	1.7%	2.4%	2.2%	2.2%	
Pre-provisioning OP	45,197	48,501	52,988	57,961	Loan Loss Res./Loan	4.8%	5.9%	6.2%	6.5%	
Provision for Impairment	(11,628)	(8,187)	(8,753)	(10,078)	CASA/Deposits	76.6%	77.4%	78.4%	79.4%	
EBT	33,569	40,314	44,235	47,883	Time Deposits/Deposits	23.4%	22.6%	21.6%	20.6%	
Income Tax	(6,421)	(6,848)	(6,567)	(6,083)	Par Value (IDR)	63	63	63	63	
Non-controlling Interest	(16)	(9)	(8)	(10)	Total Shares (mn)	123,275	123,275	123,275	123,275	
Net Profit	27,131	33,457	37,660	41,790	Share Price (IDR)	6,770	8,375	8,375	8,375	
<i>Growth (% y/y)</i>	-5.0%	23.3%	12.6%	11.0%	Market Cap (IDR tn)	834.6	1,032.4	1,032.4	1,032.4	
BALANCE SHEET					VALUATION INDEX					
(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E		2020/12A	2021/12E	2022/12E	2023/12E	
Cash	24,322	25,331	26,804	29,180	Price /Earnings	30.8x	30.9x	27.4x	24.7x	
Placement in Banks	86,905	91,905	100,132	110,224	Price /Book Value	4.5x	4.7x	4.1x	3.7x	
Net Loans	555,350	574,154	627,191	687,816	Price/Op. Revenue	11.1x	12.8x	11.7x	10.7x	
Investment	343,128	408,726	454,703	500,273	PE/EPS Growth	-6.1x	1.3x	2.2x	2.3x	
Fixed Asset	23,545	25,970	27,306	28,897	EV/Operating Revenue	10.8x	12.5x	11.5x	10.5x	
Other Assets	42,319	46,653	50,726	54,891	EV/PPOP	18.0x	20.9x	19.1x	17.4x	
Total Assets	1,075,570	1,172,739	1,286,861	1,411,280	EV (IDR bn)	812,405	1,012,116	1,011,131	1,009,309	
Deposits	850,916	909,678	990,982	1,079,583	Op. Rev. CAGR (3-Yr)	9.7%	8.6%	7.2%	8.6%	
Debt	2,037	4,883	5,352	5,888	EPS CAGR (3-Yr)	5.2%	9.0%	9.7%	15.5%	
Other liabilities	37,902	37,840	41,475	45,629	Basic EPS (IDR)	220	271	305	339	
Total Liabilities	890,856	952,401	1,037,809	1,131,100	Diluted EPS (IDR)	220	271	305	339	
Capital Stock & APIC	1,541	1,541	1,541	1,541	BVPS (IDR)	1,498	1,787	2,020	2,273	
Retained Earnings	160,540	191,017	214,585	240,567	Op. Revenue PS (IDR)	610	654	715	782	
Shareholders' Equity	184,715	220,338	249,052	280,180	DPS (IDR)	90	111	125	139	
CASH FLOW STATEMENT					OWNERSHIP					
(IDR bn)	2020/12A	2021/12E	2022/12E	2023/12E	By Geography	% Shareholders				
Operating Cash Flow	(99,909)	38,710	44,168	49,656	Indonesia	73.9	Dwimuria Investama And	54.9		
Investing Cash Flow	(32,389)	(101,475)	(115,523)	(125,754)	United States	11.9	JP Morgan Chase & Co	1.9		
Financing Cash Flow	123,606	63,774	72,828	78,474	Luxembourg	5.1	Vanguard Group Inc	1.8		
Net Changes in Cash	(8,692)	1,009	1,472	2,376	Others	9.2	Others	41.4		

Source: Bloomberg, NHKSI research

NH Korindo Sekuritas Indonesia (NHKSI) Stock Ratings

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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