

Bank Mandiri Tbk (BMRI)

Fokus Pada High Yield Asset

Laba bersih 1Q22 BMRI melonjak 69,5% menjadi IDR 10,0 triliun. Pencapaian ini didukung pertumbuhan pendapatan bunga dan non-bunga. Sementara, Beban Operasional masih dapat ditekan. Lebih jauh, beban provisi juga menurun 25,9% YoY. NHKSI Research melihat BMRI kembali fokus kepada aset *high-yield* untuk menjaga pertumbuhan di 2022.

Semua Lini Mencatatkan Kinerja Solid

- BMRI mencatatkan kinerja yang solid secara keseluruhan selama periode 1Q22, ditandai dengan pertumbuhan *topline*. *Net Interest Income* dan *Non-Interest Income* tumbuh 17,1% dan 13,5% YoY.
- Di sisi lain, Beban Operasional relatif terkendali, hanya meningkat 4,5% YoY. Hal ini memungkinkan PPOP untuk tumbuh 25,3% menjadi IDR 17,7 triliun (Vs. IDR 14,1 triliun di 1Q21).
- Beban provisi juga berhasil turun 25,9% YoY menjadi IDR 4,0 triliun, sehingga laba bersih melonjak menjadi IDR 10,0 triliun (+69,5% YoY Vs IDR 5,9 triliun di 1Q21).

CASA Ratio Sentuh 70%

- BMRI membukukan pertumbuhan pinjaman sebesar 2,2% QoQ dan 8,9% YoY di 1Q22. Sementara, segmen korporasi masih memberikan kontribusi terbesar dengan 35,1% dari total pinjaman. Segmen lain yang lebih kecil menunjukkan pertumbuhan YoY yang lebih tinggi: Mikro (+11,1%), SME (+11,0%), dan Komersial (+9,1%).
- Dari sisi pendanaan, bank berhasil mencatatkan pertumbuhan dana murah yang mengesankan, yaitu Giro (+5,9% YoY) dan Tabungan (+15,9% YoY). Sebaliknya, Deposito Berjangka turun 8,6% menjadi IDR 249,5 triliun. Hal ini mengakibatkan rasio CASA meningkat menjadi 70,3% pada 1Q22 (dari 67,6% di 1Q21); dengan CoF juga berhasil turun signifikan menjadi 1,2% di 1Q22 (Vs. 1,8% di 1Q21).

High Yield Asset sebagai Penggerak Kinerja Utama

- BMRI akan melanjutkan strateginya untuk fokus pada aset dengan imbal hasil yang lebih tinggi guna menjaga kinerja keuangan. Sebagai catatan, pinjaman konsumen seperti KPR telah pulih, dan melebihi level sebelum pandemi. Namun, pertumbuhan pinjaman *payroll* tetap menantang meskipun ada peningkatan yang kami lihat pada 1Q22.
- Untuk tahun 2022, BMRI telah menetapkan pedoman pertumbuhan kredit secara konsolidasi sebesar >8%. Selain itu, NIM juga diharapkan dapat dibukukan di atas 5%, sebagai hasil dari LDR yang meningkat dan pengelolaan CoF.

Rekomendasi Overweight dengan TP IDR 9.800

- Kami menaikkan *Target Price* BMRI di IDR 9.800/saham, seiring kenaikan harga yang terjadi belakangan ini. TP kami mencerminkan FY22 P/BV sebesar 1.7x (diatas rata-rata 3-tahunan), di mana kami memperkirakan BMRI akan terus mencatatkan kinerja keuangan yang berkelanjutan.

Bank Mandiri Tbk | Summary (IDR bn)

in IDR bn	2021/12A	2022/12F	2023/12F	2024/12F
Interest Income	97,749	121,457	138,767	160,476
<i>Interest Income growth</i>	11.9%	24.3%	14.3%	15.6%
Operating Revenue	107,124	118,366	139,693	164,991
Net profit	32,962	34,743	44,312	54,038
EPS (IDR)	706	744	950	1,158
<i>EPS growth</i>	92.5%	5.4%	27.5%	21.9%
BVPS (IDR)	4,881	5,790	7,342	8,994
Net Interest Margin	5.0%	4.8%	4.8%	5.0%
Loan/Deposits	80.8%	89.4%	90.9%	92.0%
NPL	2.3%	2.7%	2.7%	2.7%
ROE	15.6%	14.0%	14.5%	14.2%
ROA	2.1%	1.9%	2.1%	2.2%
P/E	9.9x	13.2x	13.2x	13.2x
P/BV	1.4x	1.7x	1.7x	1.7x
P/Op. Revenue	3.1x	3.9x	4.2x	4.3x
DPS (IDR)	370	390	497	606
<i>Dividend yield</i>	5.3%	4.0%	4.0%	4.0%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Overweight

Target Price (IDR)	9,800
Consensus Price (IDR)	9,513
TP to Consensus Price	+3.0%
Potential Upside	+9.5%

Shares data

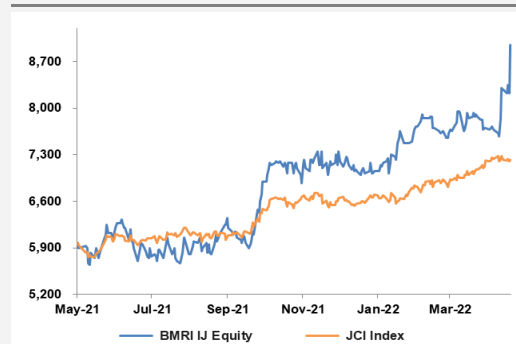
Last Price (IDR)	8,950
Price date as of	Apr. 28, 2022
52 wk range (Hi/Lo)	9,075 / 5,600
Free float (%)	37.9
Outstanding sh.(mn)	46,667
Market Cap (IDR bn)	417,667
Market Cap (USD mn)	28,727
Avg. Trd Vol - 3M (mn)	63.53
Avg. Trd Val - 3M (bn)	500.24
Foreign Ownership	27.8%

Financial Services

Banking

Bloomberg	BMRI IJ
Reuters	BMRI.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	27.4%	13.7%	17.0%	44.4%
Rel. Ret.	17.6%	11.1%	8.2%	23.4%

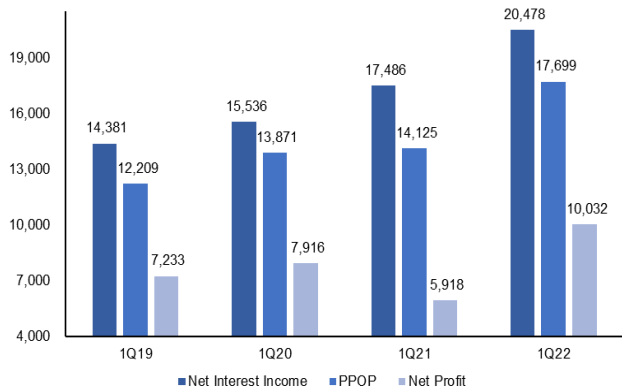
Arief Machrus

(021) 5088 9127

arief.machrus@nhsec.co.id

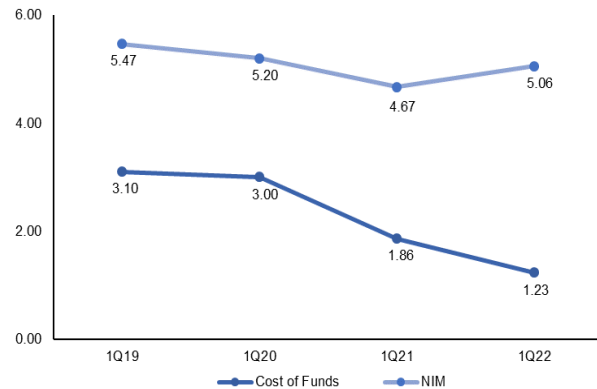
Performance Highlights

Financial Performance (IDR Billion)



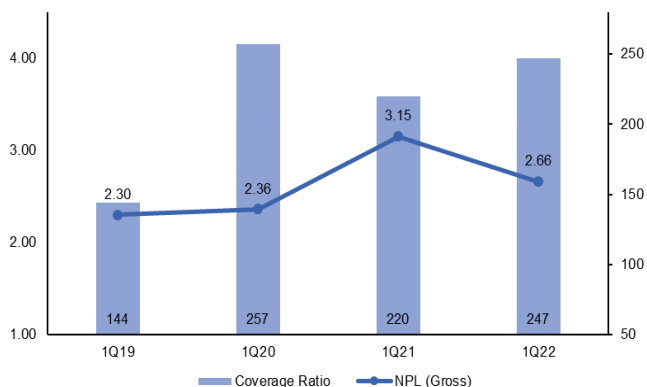
Source: Company, NHKSI Research

Profitability Ratios (%)



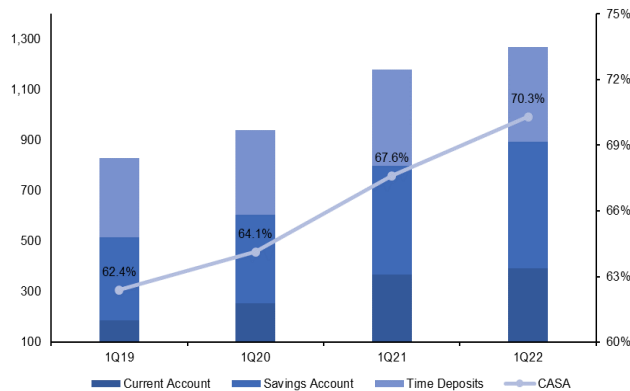
Source: Company, NHKSI Research

Asset Quality (%)



Source: Company, NHKSI Research

Third Party Fund (IDR Tn)



Source: Company, NHKSI Research

Forward P/B Band | Last 3 Years



Source: Bloomberg, NHKSI Research

Dynamic Forward P/B Band | Last 3 Years



Source: Bloomberg, NHKSI Research

Summary of Financials

INCOME STATEMENT					PROFITABILITY & STABILITY				
(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F		2021/12A	2022/12F	2023/12F	2024/12F
Interest Income	97,749	121,457	138,767	160,476	ROE	15.6%	14.0%	14.5%	14.2%
<i>Growth (% y/y)</i>	<i>11.9%</i>	<i>24.3%</i>	<i>14.3%</i>	<i>15.6%</i>	ROA	2.1%	1.9%	2.1%	2.2%
Interest Expenses	(24,687)	(39,852)	(42,662)	(46,346)	Non-Int. Inc. /Op. Rev	31.8%	31.1%	31.2%	30.8%
Net Interest Income	73,062	81,605	96,105	114,131	Cost/Income	45.9%	46.4%	46.1%	46.2%
<i>Net Interest Margin</i>	<i>5.0%</i>	<i>4.8%</i>	<i>4.8%</i>	<i>5.0%</i>	Cash Dividend (IDR bn)	17,254	18,187	23,196	28,287
Net Fee Income	17,236	20,747	23,919	28,115	Dividend Yield (%)	5.3%	4.0%	4.0%	4.0%
Trading Income	7,183	7,989	9,994	11,421	Payout Ratio (%)	52.3%	52.3%	52.3%	52.3%
Other Operating Income	9,642	8,026	9,676	11,325	Loan/Deposits	80.8%	89.4%	90.9%	92.0%
Operating Revenue	107,124	118,366	139,693	164,991	Loan/Assets	60.9%	66.0%	65.9%	66.0%
Operating Expenses	(49,141)	(54,889)	(64,430)	(76,304)	NPL	2.3%	2.7%	2.7%	2.7%
Pre-provisioning OP	57,983	63,477	75,263	88,687	Loan Loss Res./Loan	6.6%	5.0%	5.0%	5.0%
Provision for Impairment	(19,543)	(19,074)	(19,303)	(21,465)	CASA/Deposits	69.6%	70.9%	72.2%	73.6%
EBT	38,402	44,441	56,025	67,245	Time Deposits/Deposits	30.4%	29.1%	27.8%	26.4%
Income Tax	(7,807)	(9,852)	(12,468)	(14,936)	Par Value (IDR)	250	250	250	250
Non-controlling Interest	2,367	154	755	1,729	Total Shares (mn)	46,667	46,667	46,667	46,667
Net Profit	32,962	34,743	44,312	54,038	Share Price (IDR)	7,025	9,800	12,499	15,243
<i>Growth (% y/y)</i>	<i>92.5%</i>	<i>5.4%</i>	<i>27.5%</i>	<i>21.9%</i>	Market Cap (IDR tn)	327.8	457.3	583.3	711.3

BALANCE SHEET					VALUATION INDEX				
(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F		2021/12A	2022/12F	2023/12F	2024/12F
Cash	23,948	32,622	38,165	42,455	Price /Earnings	9.9x	13.2x	13.2x	13.2x
Placement in Banks	172,225	182,118	209,422	240,955	Price /Book Value	1.4x	1.7x	1.7x	1.7x
Net Loans	980,963	1,243,102	1,429,472	1,644,711	Price/Op. Revenue	3.1x	3.9x	4.2x	4.3x
Investment	416,908	363,918	418,478	481,490	PE/EPS Growth	0.1x	2.4x	0.5x	0.6x
Fixed Asset	49,145	55,542	62,947	71,517	EV/Operating Revenue	3.9x	5.0x	5.4x	5.6x
Other Assets	82,423	107,411	123,804	142,729	EV/PPOP	7.2x	9.3x	10.0x	10.4x
Total Assets	1,725,612	1,984,712	2,282,287	2,623,857	EV (IDR bn)	419,308	587,577	752,583	923,903
Deposits	1,299,319	1,463,536	1,655,739	1,881,469	Op. Rev. CAGR (3-Yr)	23.5%	20.8%	23.3%	28.3%
Debt	97,175	130,803	147,981	168,156	EPS CAGR (3-Yr)	16.9%	11.3%	17.3%	46.7%
Other liabilities	101,339	120,173	135,956	154,491	Basic EPS (IDR)	706	744	950	1,158
Total Liabilities	1,497,833	1,714,513	1,939,676	2,204,116	Diluted EPS (IDR)	706	744	950	1,158
Capital Stock & APIC	29,241	29,241	29,241	29,241	BVPS (IDR)	4,881	5,790	7,342	8,994
Retained Earnings	137,024	154,514	180,639	211,482	Op. Revenue PS (IDR)	2,296	2,536	2,993	3,536
Shareholders' Equity	227,779	270,199	342,611	419,741	DPS (IDR)	370	390	497	606

CASH FLOW STATEMENT					OWNERSHIP			
(IDR bn)	2021/12A	2022/12F	2023/12F	2024/12F	By Geography	% Shareholders	%	
Operating Cash Flow	78,049	27,549	56,095	67,900	Indonesia	72.3	Republic of Indonesia	52.0
Investing Cash Flow	(258,930)	(224,398)	(288,033)	(332,605)	United States	8.9	DJS Ketenagakerjaan	8.0
Financing Cash Flow	173,325	205,523	237,481	268,996	Luxembourg	5.1	Vanguard Group	2.0
Net Changes in Cash	(7,555)	8,674	5,543	4,290	Others	13.8	Others	38.0

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%

DISCLAIMER

This document is strictly confidential and is being supplied to you solely for your information. The recipients of this report must make their own independent decisions regarding any securities or financial instruments mentioned herein. This document may not be quoted, reproduced, exhibited, redistributed, transmitted, edited, translated, or published, in whole or in part, for any purpose without notice. Any failure to comply with this restriction may constitute a violation of civil or criminal laws.

This report and any electronic access hereto are restricted and intended only for the clients and related entities of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not be suitable for all investors. Although the information hereof is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, and agents are held harmless from any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents are liable for errors, omissions, misstatements, negligence, inaccuracy contained herein.

All rights reserved by PT NH Korindo Sekuritas Indonesia