

# Bank Central Asia Tbk (BCA)

## Genuine Real Credit Mulai Berekspansi

Pelonggaran pembatasan mobilitas mendorong kredit konsolidasi BCA tumbuh 13,8% YoY menjadi senilai IDR 675,4 triliun 1H22, namun diimbangi dengan perbaikan kualitas aset. NPL Gross dan LAR 1H22 masing-masing turun 20 Bps menjadi 2,2% dan 680 Bps menjadi 12,3%. NHKSI Research memproyeksikan BCA mampu menekan NPL di bawah level 2% FY22, mengingat Perseroan masih memperpanjang relaksasi restrukturisasi terdampak Covid-19.

### Kredit Investasi Meningkat untuk Kapasitas Produksi yang Sama

- Segmen Corporate, sebagai porsi terbesar dari total outstanding kredit, tumbuh 19,1% YoY menjadi senilai IDR 310,2 triliun. Kemudian diikuti oleh Commercial and SME yang tumbuh 10,9% menjadi senilai IDR 197,5 triliun. Permintaan kredit yang meningkat didukung kondisi Back to Normal, seiring permintaan kredit investasi atau Genuine Real Credit didukung sejumlah sektor yang mulai melakukan ekspansi.
- Hal serupa terjadi pada kredit modal kerja yang didukung meningkatnya perdagangan dan kenaikan biaya produksi dan bahan mentah, membuat kebutuhan dana yang lebih besar untuk kapasitas produksi yang relatif sama.
- Permintaan kredit sejumlah sektor berkelanjutan ini, mendorong pertumbuhan portfolio BCA sebesar 21,8% YoY (1H22 Vs. 1H21) menjadi senilai IDR 169,5 triliun. NHKSI Research melihat Perseroan mampu memenuhi target pertumbuhan kredit double digit, atau tumbuh hingga 10% FY22.

### Pertumbuhan Kredit didukung LFR yang Rendah

- Posisi LFR BCA 1H22 berada di level 63,5% atau naik 110 Bps secara tahunan. NHKSI Research melihat posisi LFR yang relatif rendah memberikan ruang bagi BCA untuk lebih berekspansi menyalurkan kredit, di tengah pemulihan bertahap ekonomi domestik.
- Kami memproyeksikan BCA mampu meningkatkan LFR diatas level 65% FY22, memanfaatkan rendahnya tingkat suku bunga acuan BI 7DRRR dan potensi meningkatnya permintaan kredit.
- Penyaluran kredit didukung oleh solidnya pertumbuhan DPK hingga 12,9%. Milestone mencapai nilai IDR 1.011 Triliun, seiring CASA tumbuh 17,3% atau mencapai nilai IDR 817,8 triliun. Adapun, CASA Ratio yang berada di level 80,9% menunjukkan BCA mampu menekan CoF di tengah pertumbuhan kredit double digit.

### Rekomendasi Buy dengan TP di Level IDR 9.000

- NHKSI Research menaikkan rekomendasi menjadi Buy untuk BCA dengan TP IDR 9.000. TP kami mencerminkan 22F P/BV sebesar 4,8x atau diatas rata-rata 3-tahun 4,4x. Rekomendasi kami didukung oleh Credit Cost yang rendah.
- Kami juga melihat membaiknya NIM dan LFR yang rendah memberikan ruang BCA untuk ekspansi kredit. Di sisi lain, kami tetap mencermati tantangan kenaikan inflasi dan ketegangan geopolitik, yang pada akhirnya dapat mempengaruhi kualitas aset.

### Bank Central Asia Tbk | Summary (IDR bn)

	2021/12A	2022/12E	2023/12E	2024/12E
Interest Income	65,627	78,819	87,141	96,441
<i>Interest Income growth</i>	0.3%	20.1%	10.6%	10.7%
Operating Revenue	78,473	90,790	99,797	110,161
Net profit	31,423	37,460	42,487	46,918
EPS (IDR)	255	304	345	381
<i>EPS growth</i>	15.8%	19.2%	13.4%	10.4%
BVPS (IDR)	1,645	1,893	2,150	2,393
Net Interest Margin	5.0%	5.1%	5.1%	5.1%
Loan/Deposits	64.6%	65.4%	66.3%	68.5%
NPL	1.7%	1.7%	1.7%	1.7%
ROE	16.2%	17.2%	17.0%	16.8%
ROA	2.7%	2.9%	3.0%	3.0%
Non-Int. Inc. /Op. Rev	28.5%	29.1%	29.5%	29.6%
P/E	28.6x	29.6x	29.6x	29.6x
P/BV	4.4x	4.8x	4.7x	4.7x
DPS (IDR)	111	79	120	116
<i>Dividend yield</i>	1.5%	0.9%	1.2%	1.0%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

# Buy

<b>Target Price (IDR)</b>	<b>9,000</b>
Consensus Price (IDR)	8,299
TP to Consensus Price	+8.4%
Potential Upside	+18.0%

### Shares data

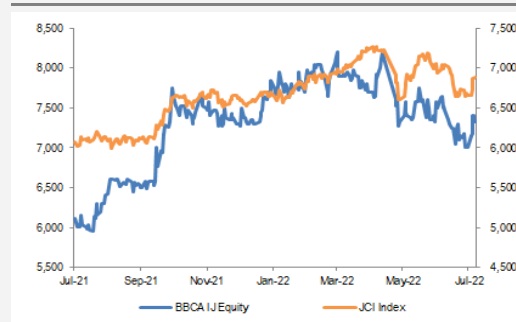
Last Price (IDR)	7,625
Price date as of	Aug. 3, 2022
52 wk range (Hi/Lo)	8,300 / 5,905
Free float (%)	44.9
Outstanding sh.(mn)	123,275
Market Cap (IDR bn)	906,071
Market Cap (USD mn)	60,969
Avg. Trd Vol - 3M (mn)	105.70
Avg. Trd Val - 3M (bn)	785.2
Foreign Ownership	26.8%

### Financial Services

#### Banking

Bloomberg	<b>BBCA IJ</b>
Reuters	<b>BBCA.JK</b>

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	0.3%	-2.3%	-7.0%	19.0%
Rel. Ret.	-4.3%	-0.9%	-2.3%	6.8%

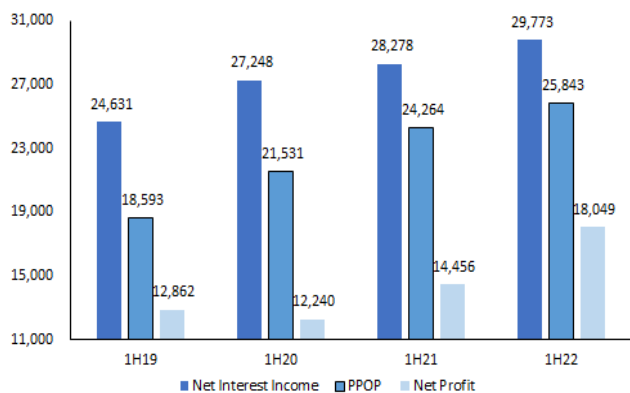
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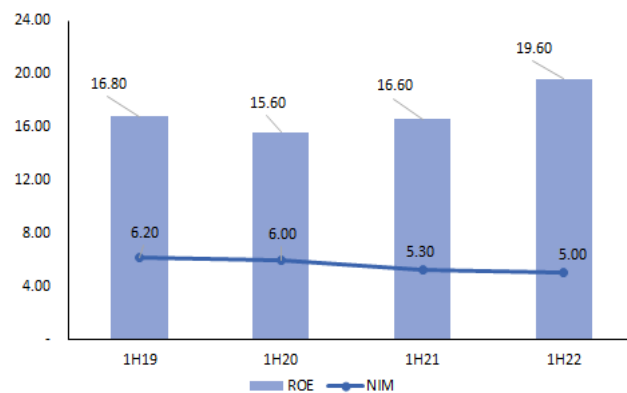
# Performance Highlights

## Financial Performance (IDR Billion)



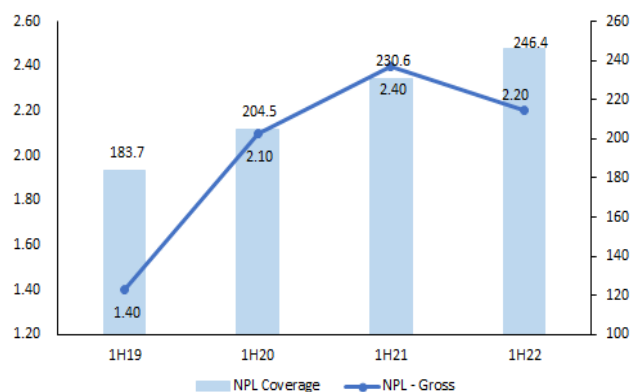
Source: Company, NHKSI Research

## Profitability Ratios (%)



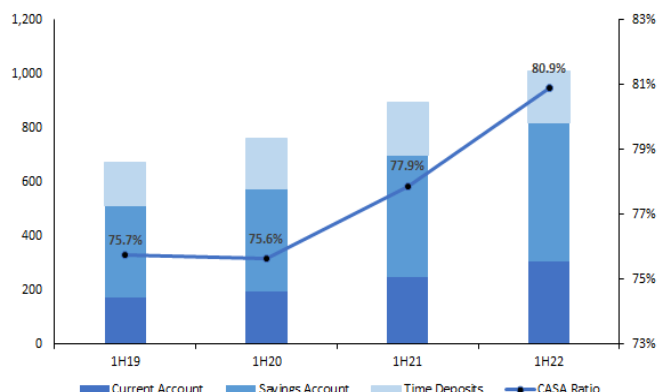
Source: Company, NHKSI Research

## Asset Quality (%)



Source: Company, NHKSI Research

## Third Party Fund (IDR Trn)



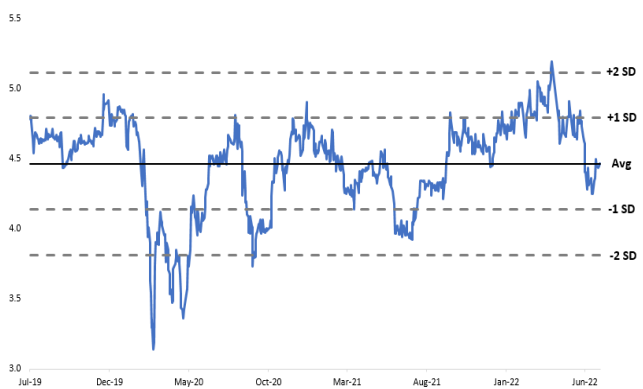
Source: Company, NHKSI Research

## PER | Last 3 Years



Source: Bloomberg, NHKSI Research

## PBV | Last 3 Years



Source: Bloomberg, NHKSI Research

## Summary of Financials

INCOME STATEMENT					PROFITABILITY & STABILITY				
(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E		2021/12A	2022/12E	2023/12E	2024/12E
<b>Interest Income</b>	<b>65,627</b>	<b>78,819</b>	<b>87,141</b>	<b>96,441</b>	ROE	16.2%	17.2%	17.0%	16.8%
<i>Growth (% y/y)</i>	<i>0.3%</i>	<i>20.1%</i>	<i>10.6%</i>	<i>10.7%</i>	ROA	2.7%	2.9%	3.0%	3.0%
Interest Expenses	9,491	14,457	16,788	18,839	Non-Int. Inc. /Op. Rev	28.5%	29.1%	29.5%	29.6%
<b>Net Interest Income</b>	<b>56,136</b>	<b>64,362</b>	<b>70,353</b>	<b>77,602</b>	Cost/Income	38.6%	39.2%	38.9%	39.1%
<i>Net Interest Margin</i>	<i>5.0%</i>	<i>5.1%</i>	<i>5.1%</i>	<i>5.1%</i>	Cash Dividend (IDR bn)	13,634	9,795	14,772	14,290
Net Fee Income	14,680	17,378	19,699	21,728	Dividend Yield (%)	1.5%	0.9%	1.2%	1.0%
Trading Income	2,772	4,146	4,003	4,707	Payout Ratio (%)	43.4%	26.1%	34.8%	30.5%
Other Operating Income	4,886	4,905	5,742	6,124	Loan/Deposits	64.6%	65.4%	66.3%	68.5%
<b>Operating Revenue</b>	<b>78,473</b>	<b>90,790</b>	<b>99,797</b>	<b>110,161</b>	Loan/Assets	51.3%	51.5%	51.7%	53.3%
Operating Expenses	(30,308)	(35,632)	(38,855)	(43,062)	NPL	1.7%	1.7%	1.7%	1.7%
<b>Pre-provisioning OP</b>	<b>48,165</b>	<b>55,158</b>	<b>60,942</b>	<b>67,099</b>	Loan Loss Res./Loan	5.2%	5.2%	5.1%	4.9%
Provision for Impairment	(9,324)	(8,911)	(8,535)	(9,279)	CASA/Deposits	78.6%	79.2%	79.8%	80.3%
<b>EBT</b>	<b>38,841</b>	<b>46,248</b>	<b>52,407</b>	<b>57,819</b>	Time Deposits/Deposits	21.4%	20.8%	20.2%	19.7%
Income Tax	(7,401)	(8,778)	(9,908)	(10,888)	Par Value (IDR)	63	63	63	63
Non-controlling Interest	(17)	(10)	(12)	(14)	Total Shares (mn)	123,275	123,275	123,275	123,275
<b>Net Profit</b>	<b>31,423</b>	<b>37,460</b>	<b>42,487</b>	<b>46,918</b>	Share Price (IDR)	7,300	9,000	10,208	11,272
<i>Growth (% y/y)</i>	<i>15.8%</i>	<i>19.2%</i>	<i>13.4%</i>	<i>10.4%</i>	Market Cap (IDR tn)	899.9	1,109.5	1,258.4	1,389.6

BALANCE SHEET					VALUATION INDEX				
(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E		2021/12A	2022/12E	2023/12E	2024/12E
Cash	23,616	22,734	25,417	30,296	Price /Earnings	28.6x	29.6x	29.6x	29.6x
Placement in Banks	164,539	181,859	201,150	178,405	Price /Book Value	4.4x	4.8x	4.7x	4.7x
Net Loans	597,754	661,060	731,747	827,528	Price/Op. Revenue	11.5x	12.2x	12.6x	12.6x
Investment	374,405	411,982	456,673	514,965	PE/EPS Growth	1.8x	1.5x	2.2x	2.8x
Fixed Asset	23,752	23,035	20,728	19,064	EV/Operating Revenue	11.2x	12.0x	12.4x	12.4x
Other Assets	44,280	52,081	56,638	64,105	EV/PPOP	18.2x	19.7x	20.3x	20.3x
<b>Total Assets</b>	<b>1,228,345</b>	<b>1,352,751</b>	<b>1,492,354</b>	<b>1,634,364</b>	EV (IDR bn)	878,019	1,088,992	1,235,272	1,362,006
Deposits	985,966	1,084,231	1,183,776	1,292,785	Op. Rev. CAGR (3-Yr)	11.3%	12.9%	11.7%	13.6%
Debt	1,591	2,097	2,132	2,512	EPS CAGR (3-Yr)	10.5%	13.2%	14.1%	20.0%
Other liabilities	37,939	33,025	41,455	44,017	Basic EPS (IDR)	255	304	345	381
<b>Total Liabilities</b>	<b>1,025,496</b>	<b>1,119,353</b>	<b>1,227,363</b>	<b>1,339,314</b>	Diluted EPS (IDR)	255	304	345	381
Capital Stock & APIC	1,541	1,541	1,541	1,541	BVPS (IDR)	1,645	1,893	2,150	2,393
Retained Earnings	179,580	211,035	243,535	274,500	Op. Revenue PS (IDR)	637	736	810	894
<b>Shareholders' Equity</b>	<b>202,849</b>	<b>233,398</b>	<b>264,991</b>	<b>295,050</b>	DPS (IDR)	111	79	120	116

CASH FLOW STATEMENT					OWNERSHIP			
(IDR bn)	2021/12A	2022/12E	2023/12E	2024/12E	By Geography	% Shareholders	%	
Operating Cash Flow	42,525	28,790	50,696	46,783	Indonesia	73.1	Dwimuria Investama And	54.9
Investing Cash Flow	(91,765)	(121,533)	(136,699)	(134,434)	United States	11.6	JP Morgan Chase & Co	2.1
Financing Cash Flow	120,080	91,861	88,686	92,530	Luxembourg	5.3	Vanguard Group Inc	1.5
<b>Net Changes in Cash</b>	<b>70,840</b>	<b>(882)</b>	<b>2,683</b>	<b>4,879</b>	Others	10.1	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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