

# Bank Rakyat Indonesia Tbk (BBRI)

## Waktunya Bertumbuh dengan Kupedes

BBRI membubuhkan Net Profit 1H23 sebesar IDR 29.422T, meningkat 18.7% secara YoY (1H22 : IDR 24.786T dan QoQ -10.2% 1Q23: IDR 15.502T). Kenaikan Net Profit ini didukung oleh adanya kenaikan Net Interest Income (NII) sejumlah +1.4% YoY (1H22: IDR 64.614T) dan relatif flat -0.1% QoQ (1Q23 : IDR 32.779T) menjadi IDR 65.540T. NII cenderung flat tersebut dikarenakan walaupun Pendapatan Bunga YoY menanjak 11.4% YoY, namun Beban Bunga di tahun ini meningkat yang diakibatkan kondisi suku bunga yang naik cukup signifikan menemuk tajam ke posisi +63.7% YoY (1H22: IDR 12.247T, 1H23: IDR 20.050T). Selain itu, PPOP juga meningkat +3.0% QoQ (1Q23: IDR 25.153T) dan +6.2% YoY (1H22 : IDR 48.071T).

### Kupedes Sebagai Driver Pertumbuhan Baru Penyaluran Loan BRI

- Jumlah kredit yang disalurkan oleh BBRI (Konsolidasi) di semester I tahun 2023 naik secara YoY, sejumlah 8.8% menjadi IDR 1,202.1T (1H22: IDR 1,104.8). Dari segmen lending, pertumbuhan kredit BBRI masih bertumbuh di semua segmen, terutama dengan segmen Mikro sebagai segmen penyumbang utama porsi terbesar penyaluran kredit tumbuh hingga 11.4% YoY dan +2.6% QoQ. Selanjutnya, pertumbuhan kredit tersebut diikuti oleh Consumer dan Small Segment, yang masing-masing tumbuh 12.3% YoY dan 5.1% YoY. Pertumbuhan kredit di semester ini masih belum merefleksikan guidance dari manajemen (Guidance Loan Growth FY23: 10-12%).
- Adapun untuk kualitas portfolio kredit BBRI di periode ini, NPL secara YoY turun -31 Bps dan naik +9 Bps QoQ menjadi 2.95% . Level Cost of Credit (CoC) turun cukup signifikan -85 Bps YoY dan -13 Bps QoQ menjadi 2.26% (1H22 3.11%; 1Q23: 2.39%). Pencapaian CoC di kuartal ini semakin baik dengan arahan manajemen (CoC FY23: 2.2%-2.4%).
- Berbicara mengenai kredit mikro, saat ini BBRI lebih memfokuskan pertumbuhan penyaluran kredit di produk Kupedes. Hal ini terlihat dari pertumbuhan kuat dimana penyaluran Kupedes bertumbuh +42.9% YoY & +10.3% QoQ. Produk unggulan kredit mikro BRI yaitu KUR pertumbuhannya mulai relatif stagnan dan flat (-2.48% YoY & -1.21% QoQ). Saat ini, kontribusi dari kredit Kupedes terhadap total kredit mikro keseluruhan adalah 38.9% di periode 1H23 (1H22: 30%, 1Q23: 36.3%), sementara KUR relatif flat cenderung turun di periode ini, yaitu 46.82% di 1H23 (1H22: 53%, 1Q23: 48.7%).

### CASA Bertumbuh dan Angka CoF yang Relatif Masih Tinggi

- Untuk kinerja di 1H23 ini, CASA BBRI secara YoY naik 10.1% menjadi IDR 815.4T (1H22: IDR 740.4T), di mana kenaikan ini ditunjang oleh peningkatan simpanan Current Account yang cukup signifikan dan Saving Account masing-masing sebesar 24.3% dan 3.3% secara YoY dan turun masing-masing sebesar -3.7% dan +3.4% secara QoQ. Sementara itu, jenis simpanan deposito naik 8.4% YoY, sehingga Rasio CASA bertumbuh +37 Bps secara YoY menjadi 65.49% (1H22: 65.12%). Secara keseluruhan, pencapaian BBRI dari segi CASA cukup bertumbuh kuat dan juga total DPK masih naik 9.5% secara YoY menjadi IDR 1,245.1T (1H22: IDR 1,137T).
- Saat ini, BBRI nampaknya akan membangun basis CASA yang stabil untuk memitigasi dampak dari Cost of Fund (CoF) yang cukup tinggi. Untuk periode ini, angka CoF mengalami kenaikan cukup tinggi dengan peningkatan 88 Bps YoY dan 11 Bps QoQ menjadi 2.79%. (1Q23: 2.68% & 1H22: 1.91%) dimana hal itu sejalan dengan suku bunga global yang cenderung meningkat (Terlihat dari NII growth yang stagnan secara YoY akibat naiknya beban bunga yang cukup drastis). Selain itu satu hal lain yang berpengaruh adalah strategi manajemen untuk melakukan penyeimbangan growth dengan CoF sehingga loan growth turun dari guidance. Hal ini menyebabkan NIM yang relatif stabil secara QoQ (+3 Bps) dan secara YoY turun- 39 Bps menjadi 7.85% di 1H23.

### Rekomendasi Buy dengan TP di Level IDR 6,100 (+14.6% Upside)

- NHKS Research merekomendasikan Overweight untuk BBRI dengan TP IDR 6,100 (+14.6% Upside) di mana mencerminkan F P/BV sebesar 2.9x FY23F. Adapun katalis yang bisa menjustifikasi harga BBRI ini adalah dengan eksekusi performa yang lebih baik di 2023 (Loan bertumbuh terutama Kupedes & kontribusi segmen ultra mikro sebagai high yield-loan, serta CoC dan CoF yang bisa lebih ditekan). Adapun yang menjadi risiko dalam potensial downside-nya BBRI ini antara lain situasi makro yang tidak kondusif, serta ekspektasi growth loan dan kinerja yang tidak bertumbuh sesuai harapan.

### Bank Rakyat Indonesia Tbk | Summary (IDR Bn)

	2022/12A	2023/12F	2024/12F	2025/12F
Interest Income	151,875	171,761	192,801	216,266
Interest Income growth	5.8%	13.1%	12.2%	12.2%
Operating Revenue	173,477	188,765	213,695	236,048
Net profit	51,171	56,663	63,838	71,768
EPS (IDR)	338	374	421	474
EPS growth	55.8%	10.7%	12.7%	12.4%
BVPS (IDR)	2,002	2,063	2,121	2,313
Net Interest Margin	7.8%	7.9%	7.9%	8.0%
Loan/Deposits	87.1%	89.8%	87.6%	82.2%
NPL	2.7%	2.7%	2.7%	2.7%
ROE	17.2%	18.4%	20.1%	21.4%
ROA	2.9%	2.9%	3.0%	3.0%
Non-Int. Inc. /Op. Rev	28.2%	27.6%	27.9%	27.8%
P/E	15.8x	16.4x	16.4x	16.4x
P/BV	2.7x	3.0x	3.3x	3.4x
DPS (IDR)	288	316	322	332
Dividend yield	5.41%	5.14%	4.65%	4.26%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

NH Korindo Sekuritas Indonesia

## Overweight

Target Price (IDR)	6,100
Consensus Price (IDR)	6,173
TP to Consensus Price	-1.2%
Potential Upside	+14.6%

### Shares data

Last Price (IDR)	5,325
Price date as of	18-September-23
52 wk range (Hi/Lo)	5,750 / 4,260
Free float (%)	46.8
Outstanding sh. (mn)	151,559
Market Cap (IDR bn)	822,208
Market Cap (USD mn)	53,512
Avg. Trd Vol - 3M (mn)	106.70
Avg. Trd Val - 3M (bn)	591.35
Foreign Ownership	24.20%

### Finance

#### Bank

Bloomberg	BBRI IJ
Reuters	BBRI.JK

### Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	13.8%	-4.5%	-3.6%	16.5%
Rel. Ret.	12.7%	-5.6%	-7.4%	20.1%

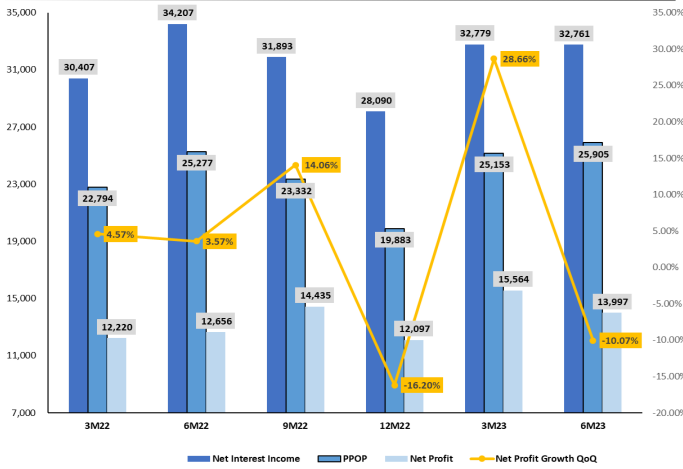
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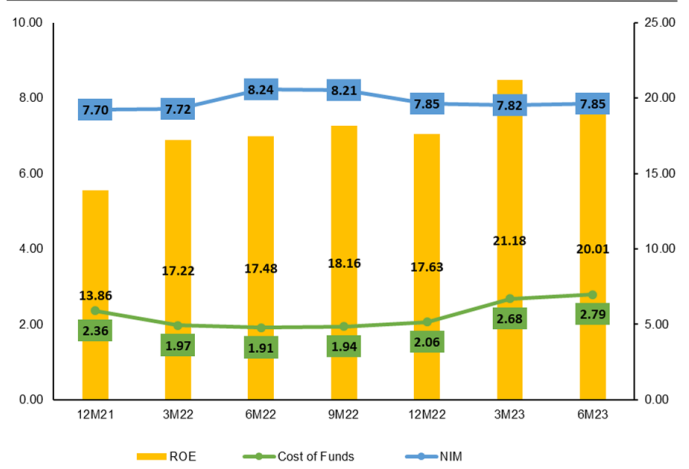
# Performance Highlights

## Financial Performance (IDR Bn)



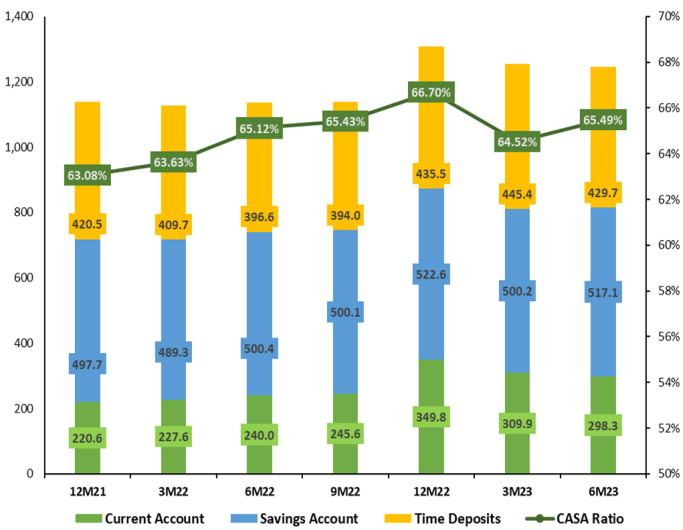
Source: Company, NHKSI Research

## Profitability Ratios (In %)



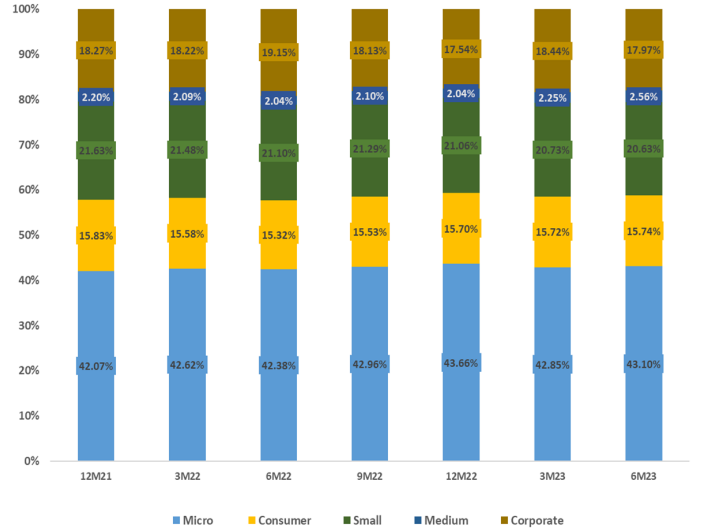
Source: Company, NHKSI Research

## Third Party Funds Composition (IDR Trillion)



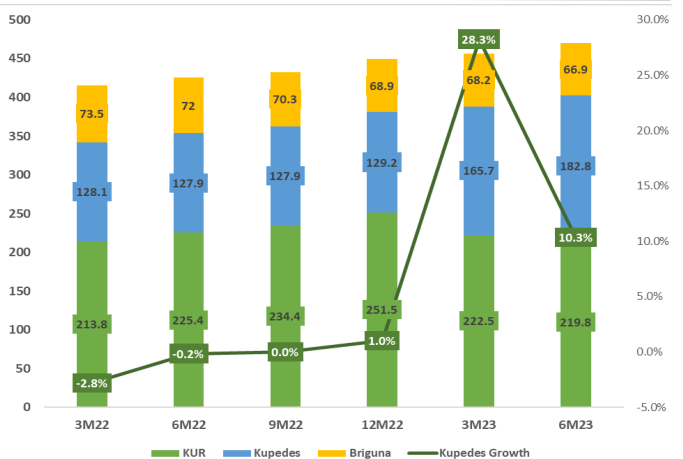
Source: Company, NHKSI Research

## Loan Composition Breakdown (In %)



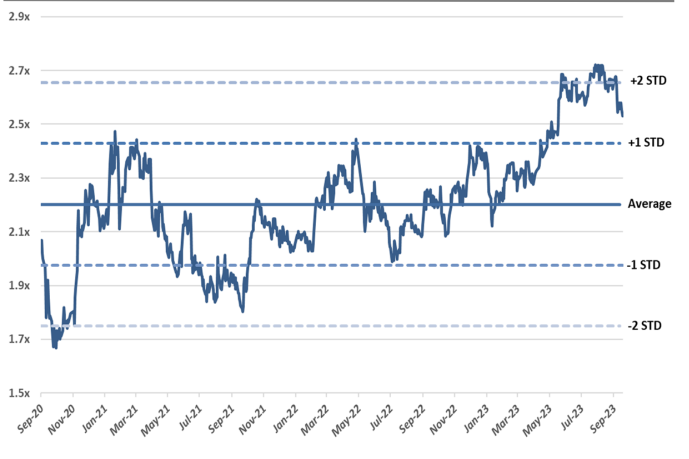
Source: Company, NHKSI Research

## Micro Loan Segment Breakdown (IDR Trillion)



Source: Company, NHKSI Research

## F-PBV | Last 3 Years



Source: Company, NHKSI Research

## Summary of Financials

INCOME STATEMENT				
(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Interest Income	151,875	171,761	192,801	216,266
Growth (% y/y)	5.8%	13.1%	12.2%	12.2%
Interest Expenses	(27,278)	(35,108)	(38,712)	(45,721)
<b>Net Interest Income</b>	<b>124,597</b>	<b>136,653</b>	<b>154,089</b>	<b>170,545</b>
Net Interest Margin	7.85%	7.90%	7.95%	7.98%
Net Fee Income	18,795	20,525	23,194	25,643
Trading Income	2,796	4,699	4,378	5,355
Other Operating Income	27,289	26,888	32,034	34,506
<b>Operating Revenue</b>	<b>173,477</b>	<b>188,765</b>	<b>213,695</b>	<b>236,048</b>
Operating Expenses	(82,192)	(90,719)	(102,058)	(113,088)
<b>Pre-provisioning OP</b>	<b>91,285</b>	<b>98,046</b>	<b>111,637</b>	<b>122,960</b>
Provision for Impairment	(26,979)	(27,320)	(31,872)	(33,331)
<b>EBT</b>	<b>64,597</b>	<b>70,789</b>	<b>79,979</b>	<b>89,787</b>
Income Tax	(13,188)	(13,992)	(16,069)	(17,893)
Non-controlling Interest	238	(135)	(72)	(126)
<b>Net Profit</b>	<b>51,171</b>	<b>56,663</b>	<b>63,838</b>	<b>71,768</b>
Growth (% y/y)	55.8%	10.7%	12.7%	12.4%

PROFITABILITY & STABILITY				
	2022/12A	2023/12F	2024/12F	2025/12F
ROE	17.2%	18.4%	20.1%	21.4%
ROA	2.9%	2.9%	3.0%	3.0%
Non-Int. Inc. /Op. Rev	28.2%	27.6%	27.9%	27.8%
Cost/Income	47.4%	48.1%	47.8%	47.9%
Cash Dividend (IDR bn)	43,654	47,871	48,831	50,303
Dividend Yield (%)	5.41%	5.18%	4.69%	4.30%
Payout Ratio (%)	85.3%	84.5%	76.5%	70.1%
Loan/Deposits	87.1%	89.8%	87.6%	82.2%
Loan/Assets	61.1%	63.0%	62.6%	59.1%
NPL	2.67%	2.71%	2.68%	2.65%
Loan Loss Res./Loan	8.2%	8.6%	9.0%	9.7%
CASA/Deposits	66.7%	69.9%	73.3%	76.9%
Time Deposits/Deposits	33.3%	30.1%	26.7%	23.1%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	151,559	151,559	151,559	151,559
Share Price (IDR)	5,325	6,100	6,872	7,726
Market Cap (IDR tn)	807.1	924.5	1,041.6	1,171.0

BALANCE SHEET				
(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Cash	27,407	5,983	28,075	185,504
Placement in Banks	242,807	215,397	270,383	275,364
Net Loans	1,045,989	1,161,704	1,282,592	1,377,343
Investment	387,764	454,965	476,518	529,587
Fixed Asset	55,216	60,953	72,041	85,226
Other Assets	106,458	112,734	128,692	137,187
<b>Total Assets</b>	<b>1,865,639</b>	<b>2,027,177</b>	<b>2,261,740</b>	<b>2,593,650</b>
Deposits	1,307,884	1,421,733	1,616,555	1,864,506
Debt	162,817	192,748	210,202	247,610
Other liabilities	91,543	100,048	113,452	131,030
<b>Total Liabilities</b>	<b>1,562,244</b>	<b>1,714,529</b>	<b>1,940,210</b>	<b>2,243,146</b>
Capital Stock & APIC	83,215	83,215	83,215	83,215
Retained Earnings	201,170	205,801	208,808	230,273
<b>Shareholders' Equity</b>	<b>303,395</b>	<b>312,648</b>	<b>321,530</b>	<b>350,505</b>

VALUATION INDEX				
	2022/12A	2023/12F	2024/12F	2025/12F
Price /Earnings	15.77x	16.32x	16.32x	16.32x
Price /Book Value	2.66x	2.96x	3.24x	3.34x
Price/Op. Revenue	4.65x	4.90x	4.87x	4.96x
PE/EPS Growth	0.28x	1.52x	1.29x	1.31x
EV/Operating Revenue	5.46x	5.92x	5.76x	5.27x
EV/PPOP	10.37x	11.39x	11.03x	10.12x
EV (IDR bn)	946,563	1,117,017	1,231,748	1,244,327
Op. Rev. CAGR (3-Yr)	16.0%	19.9%	11.0%	10.8%
EPS CAGR (3-Yr)	14.2%	44.8%	24.8%	11.9%
Basic EPS (IDR)	337.6	373.9	421.2	473.5
Diluted EPS (IDR)	338	374	421	474
BVPS (IDR)	2,002	2,063	2,121	2,313
Op. Revenue PS (IDR)	1,145	1,245	1,410	1,557
DPS (IDR)	288	316	322	332

CASH FLOW STATEMENT				
(IDR bn)	2022/12A	2023/12F	2024/12F	2025/12F
Operating Cash Flow	60,177	107,708	27,912	100,847
Investing Cash Flow	(100,589)	(221,529)	(175,141)	(185,982)
Financing Cash Flow	154,710	92,398	169,320	242,565
<b>Net Changes in Cash</b>	<b>114,298</b>	<b>(21,423)</b>	<b>22,091</b>	<b>157,430</b>

OWNERSHIP		
By Geography	% Shareholders	%
Indonesia	75.83	Republic of Indonesia 53.19
United States	10.43	JP Morgan Chase 2.04
United Kingdom	3.55	Vanguard Group 1.89
Others	10.19	Others 42.88

Source: NHKSI Research, Bloomberg

## 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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