

Bank Mandiri Tbk. (BMRI)

Tetap Berlayar Stabil di Tengah Ketatnya Likuiditas

BMRI di periode 9M24 membukukan net profit +7.56% YoY dan +11.7% QoQ menjadi IDR 42.02T (9M23: IDR 39.06T ; 2Q24: IDR 13.85T & 3Q24: IDR 15.47T). *Net Interest Income* (NII) masih membukukan kenaikan +3.81% YoY dan +2.52% QoQ menjadi IDR 74.60T (9M23: IDR 71.86T ; 2Q24: IDR 24.19T & 3Q24: IDR 25.52T). *Non Interest Income* dari BMRI di 9M24 mengalami pertumbuhan yang terakselerasi +12.6% YoY dan +15.8% QoQ menjadi IDR 30.79T (9M23: IDR 27.36T ; 2Q24: IDR 9.83T & 3Q24: IDR 11.34T), dimana didorong dari pertumbuhan recurring income khususnya biaya layanan digital dan pendapatan dari anak usaha BMRI. Adapun biaya operasional relatif naik stabil tidak signifikan, sehingga mendorong PPOP (Pre-Provision Operating Profit) dari BMRI naik +7.22% YoY dan +4.58% QoQ menjadi IDR 66.86T per 9M24 (9M23: IDR 62.36T ; 2Q24: IDR 22.32T & 3Q24: IDR 23.34T). Sebagai raksasa kredit korporasi BMRI terus mencetak pertumbuhan penyaluran kredit yang kuat, khususnya di segmen Korporasi dan Komersial, dimana penyaluran kredit bertumbuh +20.8% YoY per periode 9M24 dengan total kredit yang disalurkan IDR 1,590T. Pencapaian tersebut melebihi batas atas guidance yang berada di 18.0% untuk loan growth FY24. Selain pertumbuhan kredit yang kuat, BMRI tetap menjaga sekaligus meningkatkan kualitas asetnya.

Penyaluran Kredit BMRI Tetap Kuat dan Berhasil Melewati Batas Atas Guidance

- Per periode 9M24, kinerja penyaluran kredit BMRI masih cukup impresif dimana secara basis YoY naik +20.5% dan +3.75% QoQ menjadi IDR 1,589T (9M23: IDR 1,316T & 1H24: IDR 1,532T). Kinerja pertumbuhan penyaluran kredit tersebut ini juga masih berada di batas atas *guidance* baru manajemen BMRI untuk FY24 dimana loan growth diindikasikan berada di rentang 16-18%. Momentum pertumbuhan kredit terbesar masih berasal dari segmen *wholesale banking* menjadi mesin tonggak pertumbuhan penyaluran kredit BMRI. Segmen *Corporate* bertumbuh +3.4% QoQ dan +29.4% YoY menjadi IDR 581T di 9M24 (9M23: IDR 449T & 1H24: IDR 561T) serta segmen *Commercial* bertumbuh +4.81% QoQ dan +23.6% YoY menjadi IDR 275T di 9M24 (9M23: IDR 222T & 1H24: IDR 263T).

Kualitas Aset BMRI: Semakin Solid, Tetap Sehat dan Guidance Baru untuk CoC (Cost of Credit)

- Kualitas aset dari BMRI per periode 9M24 tetap solid dimana BMRI berhasil mencatatkan level *Non-Performing Loan (NPL)* Gross turun -3 Bps QoQ dan -36 Bps YoY ke angka 1.13% untuk 9M24 (Consolidated NPL: 1H24: 1.16% 9M23: 1.49%). Adapun NPL coverage dari BBRI mulai nampak berada dalam tren yang menuju normalisasi dengan posisi di 281% untuk 9M24 (1H24: 293%). Selain itu, capaian LAR (Loan at Risk) yang mulai berada stabil di level pre pandemi. Dengan capaian tersebut, CoC BMRI per periode 9M24 berada di angka 0.87% (9M23: 0.96%, -9 Bps YoY & 1H24: 0.98%, -11 Bps QoQ) dan inline dengan *guidance* manajemen untuk FY24 (1.0-1.2%). Implikasi kualitas aset yang sehat ini juga memicu manajemen melakukan revisi terhadap angka CoC, dimana *guidance* yang baru untuk CoC di FY2024 berada di <1.0% (*Guidance* sebelumnya: 1.0-1.2%).

Tantangan Cost Of Fund (CoF) Tinggi Masih Menyebabkan NIM (Net Interest Margin) Masih Cukup Kontraksi

- Terlepas situasi kondisi likuiditas yang ketat, BMRI masih bisa mencetak pertumbuhan DPK dan CASA. Per 9M24 Dana Pihak Ketiga (DPK) BMRI meningkat +14.9% YoY dan +1.00% QoQ menjadi IDR 1,667T. Pertumbuhan DPK tersebut ini didukung oleh pertumbuhan CASA yang bertumbuh +15% YoY dan sedikit turun -0.57% QoQ menjadi IDR 1,231T di 9M24. Hal yang menjadi catatan adalah adanya spike pertumbuhan secara basis QoQ untuk deposito, dimana bertumbuh +5.71% menjadi IDR 436T per 9M24 (+14.4% YoY, 9M23: IDR 381.4T). Kondisi pengetatan likuiditas ini juga masih memicu kenaikan CoF (Cost Of Fund) bank only yang mengalami kenaikan, dimana untuk CoF BMRI naik +17 Bps QoQ menjadi 2.21% per 3Q24 (2Q24: 2.04%, 3Q23: 1.75%). Kenaikan CoF juga didukung kenaikan CoF dari Deposito (+16 Bps QoQ, 3Q24: 3.8%) dan rekening giro (+26 Bps QoQ, 3Q24: 2.87%).
- Kenaikan CoF tersebut juga menyebabkan Net Interest Margin (NIM) BMRI bank only mengalami kontraksi secara QoQ akibat tren naiknya CoF di 3Q24. Namun jika erbicara mengenai secara basis konsolidasi, NIM BMRI mengalami kenaikan +2 Bps QoQ menjadi 5.11% di 3Q24, dimana capaian NIM ini ditopang oleh performa NIM yang lebih ekspansif dari anak-anak usaha BMRI, khususnya performa NIM dari Bank Mandiri Taspen. Adapun angka tersebut masih inline dengan *guidance* yang diberikan oleh manajemen (NIM *Guidance* for FY24: 5.0-5.3%).

Rekomendasi Buy dengan TP IDR 8,225 (Upside +22.8%)

- NHKSI Research mempertahankan Rekomendasi Buy untuk BMRI sekaligus menaikkan dengan *target price* yang lebih tinggi berada di level IDR 8,225 yang mencerminkan Forward 24F P/BV sebesar 2.4x. Hal ini ditopang oleh kinerja pertumbuhan segmen *wholesale-retail banking* serta beberapa efisiensi dan inisiatif BMRI yang mulai kembali menunjukkan NIM yang kembali mulai ekspansif. Adapun yang menjadi risiko untuk rekomendasi ini adalah kondisi situasi makro dan politik yang kurang pasti dan menyebabkan berlangsungnya kondisi *higher for longer*, persaingan antar bank yang semakin kompetitif, ekspektasi *growth loan* dan kinerja yang kurang sesuai harapan.

Bank Mandiri Tbk. | Summary (IDR Billions)

in IDR Bn	2023/12A	2024/12F	2025/12F	2026/12F
Interest Income	132,544	156,068	170,839	187,607
Interest Income growth	17.9%	17.7%	9.5%	9.8%
Operating Revenue	138,604	149,599	170,769	194,865
Net profit	55,006	59,273	67,525	77,154
EPS (IDR)	588	634	722	825
EPS growth	33.6%	7.8%	13.9%	14.3%
BVPS (IDR)	2,789	3,055	3,381	3,755
Net Interest Margin	5.3%	5.4%	5.5%	5.7%
Loan/Deposits	79.8%	88.2%	88.6%	89.0%
NPL	1.9%	0.9%	0.9%	0.9%
ROE	22.9%	19.7%	20.4%	21.0%
ROA	3.0%	2.6%	2.8%	2.9%
P/E	11.4x	13.0x	13.0x	12.9x
F/P/BV	2.2x	2.4x	2.5x	2.6x
P/Op. Revenue	4.5x	5.1x	5.1x	5.1x
DPS (IDR)	353	368	396	451
Dividend yield	5.3%	4.5%	4.2%	4.2%

Source: Company Data, Bloomberg, NHKSI Research

Please consider the rating criteria & important disclaimer

Company Report | November 1, 2024

Buy

Target Price (IDR)	8,225
Consensus Price (IDR)	7,955
TP to Consensus Price	+3.4%
Potential Upside	+22.8%

Shares data

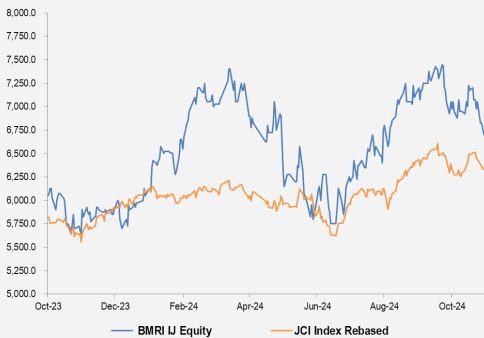
Last Price (IDR)	6,700
Price date as of	October 31, 2024
52 wk range (Hi/Low)	7,550 / 5,525
Free float (%)	39.2
Outstanding sh.(mn)	93,333
Market Cap (IDR bn)	625,333
Market Cap (USD mn)	39,807
Avg. Trd Vol - 3M (mn)	92.37
Avg. Trd Val - 3M (bn)	648.86
Foreign Ownership	23.84%

Financial Services

Banking

Bloomberg	BMRI IJ
Reuters	BMRI.JK

Share Price Performance



	YTD	1M	3M	12M
Abs. Ret.	9.4%	-3.2%	4.7%	18.1%
Rel. Ret.	-1.2%	-3.9%	0.3%	5.9%

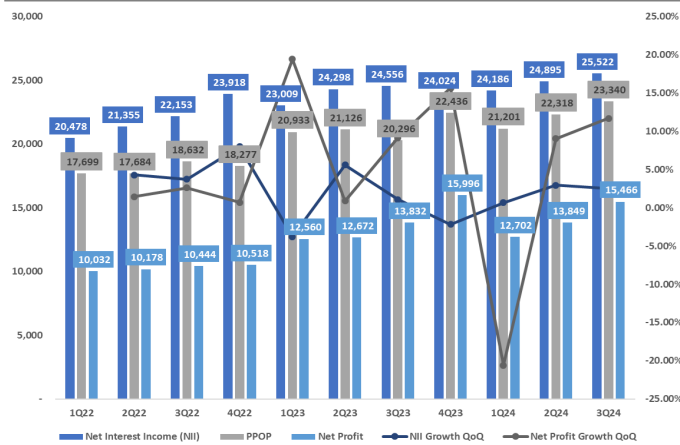
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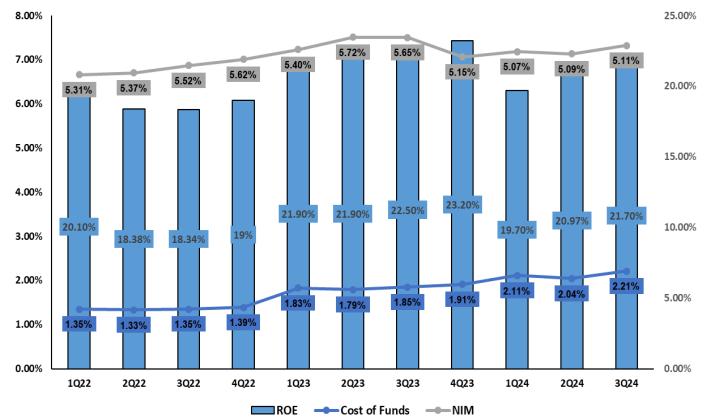
Performance Highlight for BMRI

Fig 1. Quarterly Financial Performance (In IDR Billion)



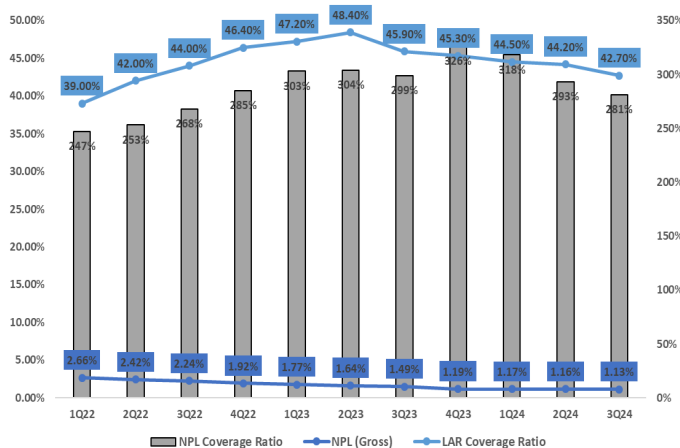
Source: Company, NHKSI Research

Fig 2. Profitability Ratios (In %)



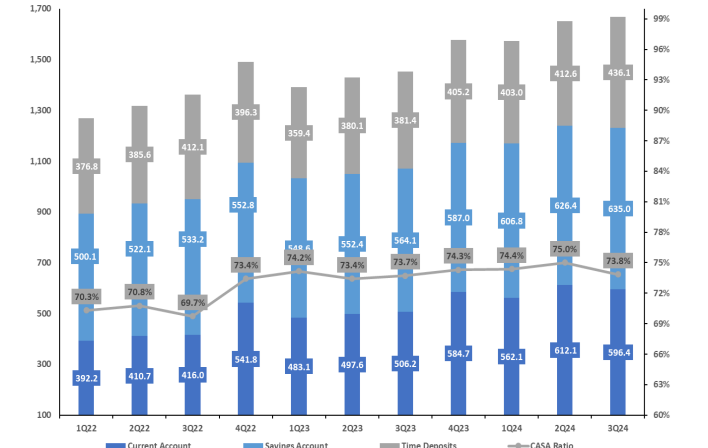
Source: Company, NHKSI Research

Fig 3. Asset Quality (In %)



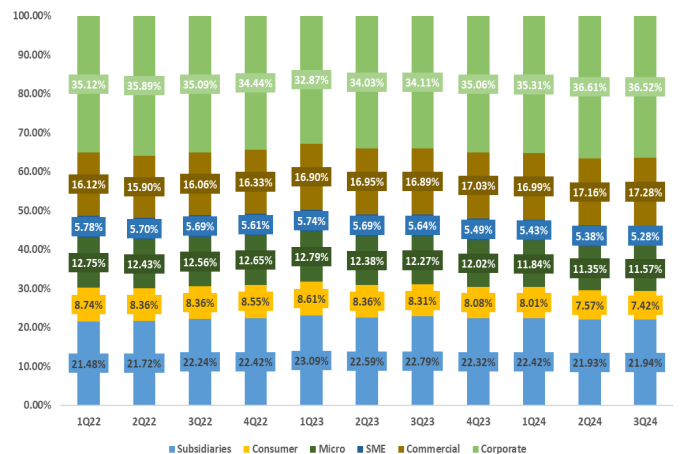
Source: Company, NHKSI Research

Fig 4. Third Party Fund Composition (IDR Tn) & CASA Ratio (In %)



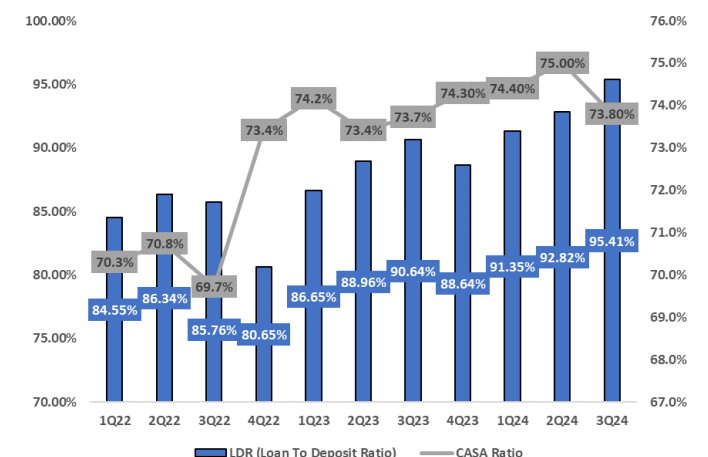
Source: Company, NHKSI Research

Fig 5. Loan Segmentation Breakdown (In %)



Source: Company, NHKSI Research

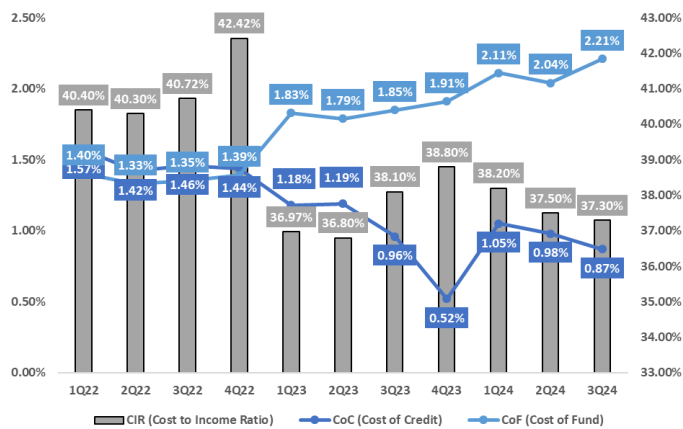
Fig 6. BMRI LDR vs CASA Ratio (In %)



Source: Company, NHKSI Research

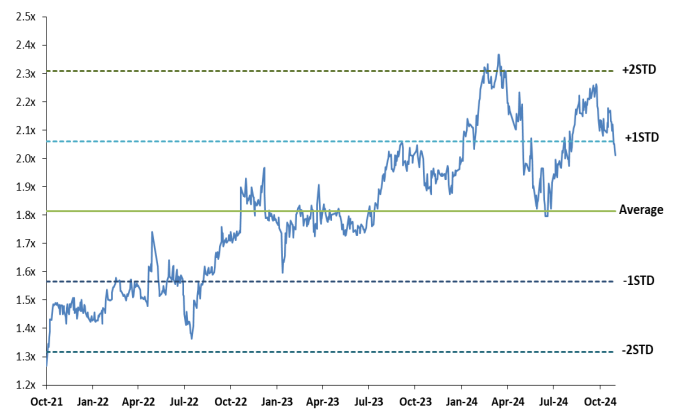
Performance Highlight for BMRI

Fig 7. BMRI CoF, CIR and CoC (In %)



Source: Company, NHKSI Research

Fig 8. BMRI Forward PBV | Last 3 Years (X)



Source: Bloomberg, NHKSI Research

Summary of Financials

INCOME STATEMENT				
(IDR bn)	2023/12A	2024/12F	2025/12F	2026/12F
Interest Income	132,544	156,068	170,839	187,607
Growth (% y/y)	17.9%	17.7%	9.5%	9.8%
Interest Expenses	(36,658)	(47,720)	(48,164)	(47,403)
Net Interest Income	95,887	108,349	122,675	140,203
Net Interest Margin	5.30%	5.42%	5.51%	5.73%
Net Fee Income	22,310	23,837	28,423	31,983
Trading Income	3,545	5,417	5,596	6,196
Other Operating Income	16,862	11,996	14,076	16,482
Operating Revenue	138,604	149,599	170,769	194,865
Operating Expenses	(53,867)	(56,848)	(71,723)	(81,843)
Pre-provisioning OP	84,736	92,751	99,046	113,022
Provision for Impairment	(10,149)	(12,232)	(7,219)	(8,235)
EBT	74,631	80,604	91,971	104,895
Income Tax	(14,633)	(16,176)	(18,377)	(20,859)
Non-controlling Interest	(4,992)	(5,154)	(6,068)	(6,881)
Net Profit	55,006	59,273	67,525	77,154
Growth (% y/y)	33.6%	7.8%	13.9%	14.3%

PROFITABILITY & STABILITY				
	2023/12A	2024/12F	2025/12F	2026/12F
ROE	20.4%	19.7%	20.4%	21.0%
ROA	2.6%	2.6%	2.8%	2.9%
Non-Int. Inc. /Op. Rev	30.8%	27.6%	28.2%	28.1%
Cost/Income	38.9%	38.0%	42.0%	42.0%
Cash Dividend (IDR bn)	33,004	34,379	37,046	42,203
Dividend Yield (%)	5.3%	4.5%	4.2%	4.2%
Payout Ratio (%)	60.0%	58.0%	54.9%	54.7%
Loan/Deposits	87.8%	88.2%	88.6%	89.0%
Loan/Assets	64.3%	65.4%	65.6%	65.7%
NPL	1.18%	0.88%	0.88%	0.88%
Loan Loss Res./Loan	3.9%	2.3%	2.3%	2.3%
CASA/Deposits	74.3%	74.5%	74.7%	74.9%
Time Deposits/Deposits	25.7%	25.5%	25.3%	25.1%
Par Value (IDR)	250	250	250	250
Total Shares (mn)	93,533	93,533	93,533	93,533
Share Price (IDR)	6,700	8,225	9,350	10,675
Market Cap (IDR tn)	626.7	769.3	874.5	998.5

BALANCE SHEET				
(IDR bn)	2023/12A	2024/12F	2025/12F	2026/12F
Cash	26,432	21,319	26,959	27,023
Placement in Banks	219,066	245,997	286,406	233,489
Net Loans	1,344,189	1,488,940	1,622,945	1,769,010
Investment	428,249	390,084	395,812	509,272
Fixed Asset	57,978	63,920	69,347	75,410
Other Assets	98,305	119,909	131,502	140,351
Total Assets	2,174,219	2,330,169	2,532,972	2,754,554
Deposits	1,595,415	1,727,096	1,873,744	2,033,081
Debt	146,178	144,338	153,469	164,514
Other liabilities	145,131	143,680	157,295	170,321
Total Liabilities	1,886,724	2,015,115	2,184,508	2,367,917
Capital Stock & APIC	29,310	29,310	29,310	29,310
Retained Earnings	197,304	222,198	252,678	287,629
Shareholders' Equity	287,495	315,054	348,463	386,638

VALUATION INDEX				
	2023/12A	2024/12F	2025/12F	2026/12F
Price /Earnings	11.4x	13.0x	13.0x	12.9x
Price /Book Value	2.4x	2.7x	2.8x	2.8x
Price/Op. Revenue	4.5x	5.1x	5.1x	5.1x
PE/EPS Growth	0.3x	1.7x	0.9x	0.9x
EV/Operating Revenue	5.6x	6.2x	6.1x	6.0x
EV/PPOP	9.1x	9.9x	10.4x	10.4x
EV (IDR bn)	773,062	921,637	1,033,283	1,171,420
Op. Rev. CAGR (3-Yr)	16.1%	19.9%	16.8%	15.8%
EPS CAGR (3-Yr)	26.0%	51.3%	27.0%	23.3%
Basic EPS (IDR)	588.09	633.71	721.94	824.89
Diluted EPS (IDR)	588	634	722	825
BVPS (IDR)	2,789	3,055	3,381	3,755
Op. Revenue PS (IDR)	1,482	1,599	1,826	2,083
DPS (IDR)	353	368	396	451

CASH FLOW STATEMENT				
(IDR bn)	2023/12A	2024/12F	2025/12F	2026/12F
Operating Cash Flow	71,751	80,085	76,509	79,118
Investing Cash Flow	(201,946)	(166,628)	(177,532)	(185,457)
Financing Cash Flow	129,414	81,431	106,663	106,403
Net Changes in Cash	(781)	(5,113)	5,640	63

OWNERSHIP		
By Geography	% Shareholders	%
Indonesia	75.03	Republic of Indonesia
United States	12.15	INA (Indonesian SWF)
Luxembourg	4.21	Capital Group Cos Inc.
Others	8.61	Others

Source: Company Report, 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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