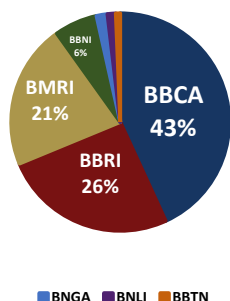


## Overweight

### Stock Recommendation

Ticker	Rating	Price (IDR)	TP (IDR)	Upside
BBCA	BUY	9,275	10,800	16.4
BBRI	BUY	4,530	5,000	10.4
BMRI	BUY	6,100	7,400	21.3
BBNI	BUY	4,620	5,400	16.9
BBTN	HOLD	1,265	1,300	2.8

### Sector Market Cap Weighting



## 4M24 Bank-Only Results

### Bank-only aggregate net profit rose +5.5% YoY in 4M24

Some of the banks on our watch have posted their bank-only 4M24 results, with a combined net profit of IDR 61.2tn (+5.5% YoY). The positive growth in net profit was mainly driven by the drop in provision expense to IDR 23.1tn (-7.4% YoY). However, all those banks booked some MoM drops in Apr-24 during Eid festivities, as the need for funding increased during the month, leading to lower NIM (-4bps on average). The average net interest income (NII) still grew 0.4% YoY, supported by loan growth (15.3% in Apr-24). As of Apr-24, banks on our watchlist had posted aggregate loan figure of IDR 4,472tn (+1.2% MoM, +15.3% YoY). It is worth noting that the combined LDR rose to 84.4% in Apr-24 (Mar-24: 84.1%, Apr-24: 81.2%), as the total deposits of the banks reached IDR 5,301tn (+0.7% MoM, +11.0% YoY). On a cumulative basis, BBBCA continued to record the highest net profit growth of 11.6% YoY in 4M24, followed by BNGA (5.9%), BBTN (5.2%), BBRI (4.5%), BMRI (2.7%), and BBNI (1.6%).

### NIM to remain under pressure in 2H24 on tight liquidity

We downgraded our average earnings growth forecast for banks under our coverage to 5.6% in FY24 (prev: 9.5%) and 9.9% in FY25 (prev: 10.6%) due to lower margins, as we expect tight liquidity in the banking system to continue into 2H24F due to slower deposit growth and expansionary loan growth mode while the system is experiencing continued high mandatory reserve requirements as well as crowding out effect partly due to government bond issuances. Therefore, we downgraded our NIM assumptions by 14bps on average. We also raised our CoC assumptions for banks under our coverage by 10bps, mainly for BBRI, given that the bank wrote off IDR 5tn worth of Covid-era micro-restructured loans and made one-time provisions for WIKA amounting to IDR 1.5tn. However, we maintain our loan growth target for this year at 11.2% and 11.3% for 2025.

### OVERWEIGHT on the sector, with BMRI and BBBCA as our top picks

We maintain our OVERWEIGHT rating on the sector, as we believe that the SOE banks are oversold (BBRI: -21.2% YTD and BBNI: -15.1% YTD), and earnings downgrades for this year have been largely priced in by the market. At the moment, we prefer banks with high CASA ratio, as they will continue to enjoy lower cost of funds amidst the above mentioned tightening liquidity conditions; thus, BMRI (BUY, IDR 7,400) and BBBCA (BUY, IDR 10,800) are our top picks within the banking sector. BMRI has been seeing improvements in cost of funds since the beginning of this year, mainly supported by growth in its CASA (+15.7% YoY as of Apr-24), due to the ongoing digitalization (Livin app) and branch transformation (greater automation). Meanwhile, BBBCA will continue to be the major beneficiary in the event of a higher-than-expected spike in BI rate, as it has the highest CASA ratio under our coverage (81%) and the ability to slowly reprice its TD downwards by a total of 100bps since Aug-23 with minimal net outflow. Downside risks: slower economic growth than anticipated, which might lead to lower loan growth, weaker-than-expected NIM and higher cost of credit.

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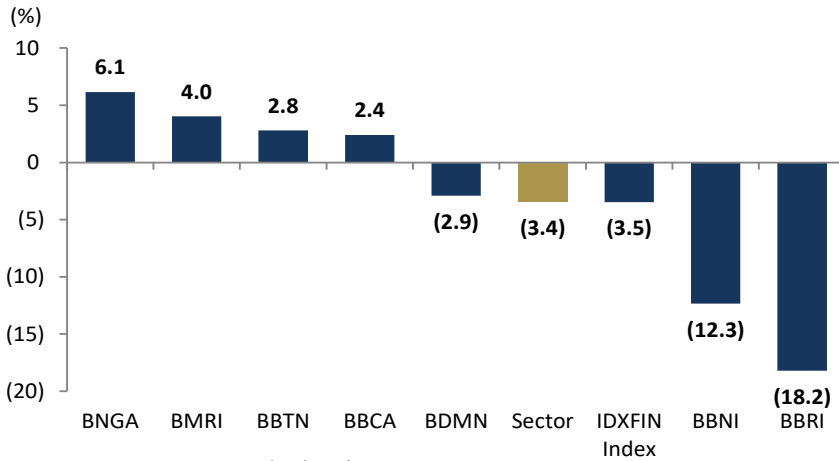
Table 1. Peer comparables

Company Ticker	Market Cap. (IDR tn)	YTD Net Buy/(Sell) (IDR bn)	Last Price (IDR)	TP (IDR)	Rating	Upside Potential (%)	2024F			
							NIM (%)	EPS Growth (%)	PBV (x)	ROE (%)
BBCA	1,150	(397)	9,275	10,800	BUY	16.4	5.7	9.2	4.3	20.9
BBRI	682	(12,451)	4,530	5,000	BUY	10.4	8.0	4.4	2.1	19.8
BMRI	569	(481)	6,100	7,400	BUY	21.3	5.4	5.4	2.0	21.2
BBNI	170	(551)	4,620	5,400	BUY	16.9	4.6	9.5	1.1	14.7
BNGA*	43	11	1,750	-	-	-	3.8	0.8	0.8	13.2
BNLI*	33	1	905	-	-	-	3.4	11.3	0.8	7.1
BBTN	17	178	1,265	1,300	HOLD	2.8	3.3	7.4	0.4	11.7
<b>Sector</b>	<b>2,588</b>	<b>(3,496)</b>			<b>Overweight</b>	<b>15.4</b>	<b>6.1</b>	<b>7.1</b>	<b>2.9</b>	<b>19.9</b>

\*Non-SSI coverage, Consensus numbers used

Source: SSI Research, Bloomberg

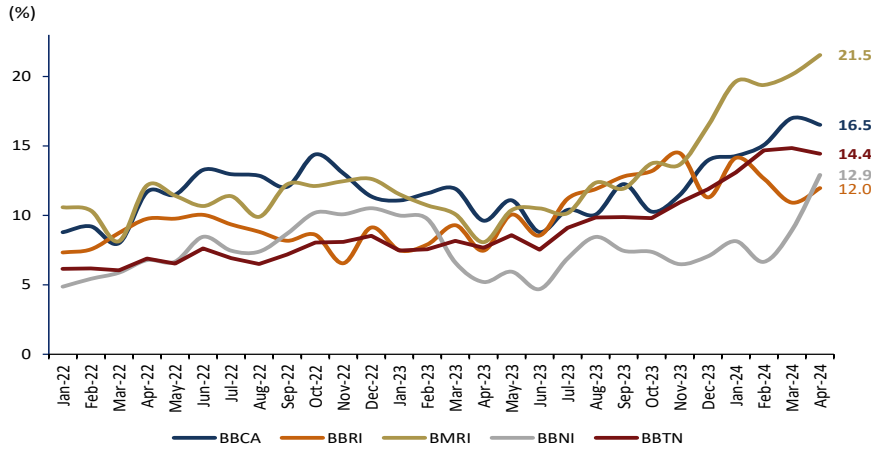
**Figure 1. Indonesian banks' YTD relative share price performances**



Source: Company, SSI Research, Bloomberg

*BBRI has underperformed compared to other banks YTD, due to higher CoC*

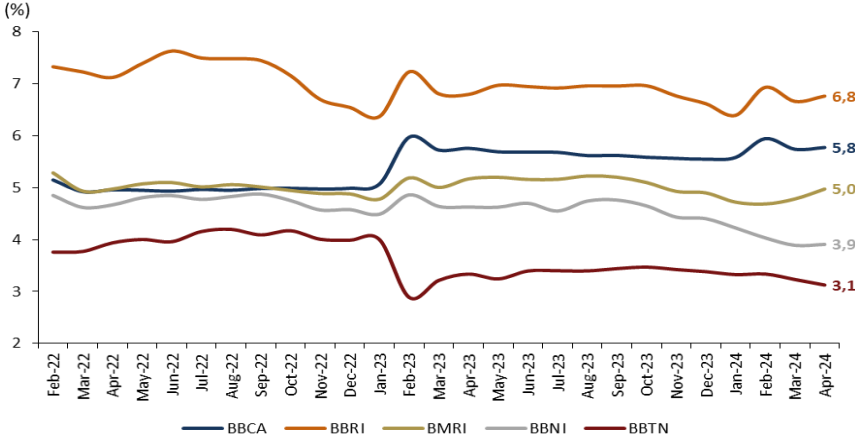
**Figure 2. Loan growth of big 4 banks (YoY)**



Source: Companies, SSI Research

*Focusing mainly on commercial and corporate segments, BMRI posted the highest loan growth in Apr-24*

**Figure 3. Big 4 banks' NIM**



Source: Companies, SSI Research

*We expect NIM to remain under pressure in 2H24 on the back of tightening liquidity*

**Table 2. Conventional banks 4M23 results summary (bank-only)**

4M24	BBCA	BBRI	BMRI	BBNI	Big 4	BBTN	BNGA	BDMN	Non-big 4	Total
<b>Net interest income (IDRtn)</b>	<b>24.6</b>	<b>37.0</b>	<b>24.1</b>	<b>12.2</b>	<b>97.9</b>	<b>4.2</b>	<b>4.0</b>	<b>3.0</b>	<b>11.2</b>	<b>109.1</b>
<i>Cumulative Chg (% YoY)</i>	6.5	5.6	5.0	-9.6	3.5	1.4	-4.6	4.1	-0.2	3.1
<i>Monthly Chg (% MoM)</i>	-2.7	-11.3	-1.3	-6.3	-6.1	-8.9	-15.3	-4.8	-10.4	-6.5
<i>Monthly Chg (% YoY)</i>	7.4	-2.2	1.8	-6.0	0.6	-5.1	-1.7	2.9	-1.7	0.4
<b>PPOP (IDRtn)</b>	<b>22.1</b>	<b>36.3</b>	<b>22.0</b>	<b>10.4</b>	<b>90.8</b>	<b>2.1</b>	<b>2.4</b>	<b>2.1</b>	<b>6.5</b>	<b>97.3</b>
<i>Cumulative Chg (% YoY)</i>	5.6	14.6	2.7	-5.6	6.8	-16.0	-27.7	2.2	-16.2	4.9
<i>Monthly Chg (% MoM)</i>	17.8	-10.2	-3.6	-25.2	-4.4	-49.0	-38.7	-8.5	-33.6	-6.6
<i>Monthly Chg (% YoY)</i>	6.3	4.4	8.0	-3.2	4.9	-48.5	-43.5	1.2	-34.1	1.6
<b>Provisions (IDRtn)</b>	<b>1.4</b>	<b>14.0</b>	<b>3.3</b>	<b>2.2</b>	<b>21.0</b>	<b>0.8</b>	<b>0.5</b>	<b>0.9</b>	<b>2.1</b>	<b>23.1</b>
<i>Cumulative Chg (% YoY)</i>	2.8	36.4	1.5	-19.0	18.7	-26.7	-51.2	14.6	-23.4	13.0
<i>Monthly Chg (% MoM)</i>	56.4	36.9	-19.9	8.7	22.1	11.7	-66.9	-94.4	41.3	23.9
<i>Monthly Chg (% YoY)</i>	3,164.0	-15.2	-9.4	-10.1	-4.2	-45.5	-83.1	-95.8	-28.0	-7.4
<b>Operating profit (IDRtn)</b>	<b>20.7</b>	<b>22.3</b>	<b>18.7</b>	<b>8.2</b>	<b>69.9</b>	<b>1.3</b>	<b>1.9</b>	<b>1.2</b>	<b>4.4</b>	<b>74.2</b>
<i>Cumulative Chg (% YoY)</i>	5.8	4.2	3.0	-1.2	3.7	-7.2	-18.4	-5.4	-12.0	2.6
<i>Monthly Chg (% MoM)</i>	15.3	-26.5	-0.5	-31.3	-10.0	-74.6	-48.2	-42.1	-53.6	-13.2
<i>Monthly Chg (% YoY)</i>	-2.3	22.6	11.3	-1.1	7.9	-53.2	-42.4	-16.7	-38.3	4.8
<b>Net profit (IDRtn)</b>	<b>17.2</b>	<b>17.8</b>	<b>15.1</b>	<b>6.9</b>	<b>57.0</b>	<b>1.0</b>	<b>2.2</b>	<b>1.0</b>	<b>4.2</b>	<b>61.2</b>
<i>Cumulative Chg (% YoY)</i>	11.6	4.5	2.7	1.6	5.7	5.2	5.9	-2.4	3.6	5.5
<i>Monthly Chg (% MoM)</i>	22.4	-30.0	-0.5	-29.9	-9.5	-59.4	-13.4	-47.9	-33.2	-11.3
<i>Monthly Chg (% YoY)</i>	10.8	23.4	10.4	1.7	12.8	-8.2	-2.9	-17.2	-7.0	11.4
4M24	BBCA	BBRI	BMRI	BBNI	Big 4	BBTN	BNGA	BDMN	Non-big 4	Total
<b>Gross loans (IDRtn)</b>	<b>818</b>	<b>1,190</b>	<b>1,134</b>	<b>702</b>	<b>3,845</b>	<b>346</b>	<b>145</b>	<b>136</b>	<b>627</b>	<b>4,472</b>
<i>Chg (% MoM)</i>	0.8	0.8	1.8	2.4	1.4	0.4	-1.7	0.1	-0.2	1.2
<i>Chg (% YoY)</i>	16.5	12.0	21.5	12.9	15.8	14.4	1.7	20.7	12.4	15.3
<b>Total deposits (IDRtn)</b>	<b>1,100</b>	<b>1,393</b>	<b>1,235</b>	<b>819</b>	<b>4,547</b>	<b>358</b>	<b>253</b>	<b>143</b>	<b>754</b>	<b>5,301</b>
<i>Chg (% MoM)</i>	0.0	-1.2	0.2	6.3	0.7	0.2	1.7	0.6	0.7	0.7
<i>Chg (% YoY)</i>	5.4	12.6	15.1	11.5	11.2	11.4	5.1	14.6	9.8	11.0
4M24	BBCA	BBRI	BMRI	BBNI	Big 4	BBTN	BNGA	BDMN	Non-big 4	Total
<b>LDR (%)</b>	<b>74.4</b>	<b>85.4</b>	<b>91.9</b>	<b>85.7</b>	<b>84.6</b>	<b>85.4</b>	<b>57.5</b>	<b>94.9</b>	<b>83.1</b>	<b>84.4</b>
<i>Chg (% MoM)</i>	0.6	1.7	1.5	-3.3	0.5	0.1	-2.0	-0.4	-0.8	0.3
<i>Chg (% YoY)</i>	7.1	-0.5	4.9	1.1	3.4	1.8	-1.9	4.8	2.0	3.2
<b>ROA (%)</b>	<b>3.9</b>	<b>3.0</b>	<b>2.9</b>	<b>2.0</b>	<b>2.9</b>	<b>0.7</b>	<b>2.0</b>	<b>1.6</b>	<b>1.4</b>	<b>2.3</b>
<i>Chg (% MoM)</i>	0.2	-0.1	0.0	-0.1	0.0	-0.1	0.1	-0.1	-0.1	0.0
<i>Chg (% YoY)</i>	0.2	-0.2	-0.2	-0.1	-0.1	0.0	0.0	-0.2	-0.1	-0.1
<b>ROE (%)</b>	<b>24.2</b>	<b>19.2</b>	<b>21.5</b>	<b>15.1</b>	<b>20.0</b>	<b>10.1</b>	<b>14.6</b>	<b>6.4</b>	<b>10.4</b>	<b>15.9</b>
<i>Chg (% MoM)</i>	0.7	-0.8	0.0	-0.1	-0.1	-1.7	1.0	-0.6	-0.4	-0.2
<i>Chg (% YoY)</i>	0.7	0.5	-1.5	-1.1	-0.4	-1.4	-0.1	-0.5	-0.6	-0.5
4M24	BBCA	BBRI	BMRI	BBNI	Big 4	BBTN	BNGA	BDMN	Non-big 4	Total
<b>NIM (%)</b>	<b>5.80</b>	<b>6.73</b>	<b>4.99</b>	<b>3.82</b>	<b>5.33</b>	<b>3.03</b>	<b>3.96</b>	<b>5.07</b>	<b>4.02</b>	<b>4.77</b>
<i>Chg (% MoM)</i>	0.03	-0.03	0.01	-0.09	-0.02	-0.10	-0.04	-0.03	-0.06	-0.04
<i>Chg (% YoY)</i>	0.11	-0.24	-0.21	-0.80	-0.29	-0.22	-0.36	-0.23	-0.27	-0.28
<b>CASA (%)</b>	<b>81.64</b>	<b>62.14</b>	<b>79.42</b>	<b>70.26</b>	<b>73.36</b>	<b>49.67</b>	<b>64.10</b>	<b>46.92</b>	<b>53.56</b>	<b>64.88</b>
<i>Chg (% MoM)</i>	0.11	0.29	-0.03	0.19	0.14	-0.26	-0.49	-2.05	-0.94	-0.32
<i>Chg (% YoY)</i>	-0.38	-2.04	0.41	0.72	-0.32	-3.66	2.55	-10.17	-3.76	-1.80

Source: Companies, SSI Research

**Table 3. Valuation metrics for conventional banks under our coverage (Part 1)**

Ticker		BBCA	BBRI	BMRI	BBNI	BBTN	Sector	Big 4	Non big 4
Rating		BUY	BUY	BUY	BUY	HOLD		OVERWEIGHT	
Target price	(IDR)	10,800	5,000	7,400	5,400	1,300			
Target PBV	(x)	5.1	2.4	2.4	1.2	0.4	3.5	3.5	0.4
Share price	(IDR)	9,275	4,530	6,100	4,620	1,265			
Up(down)side	(%)	16.4	10.4	21.3	16.9	2.8			
Total mkt cap.	(IDRtn)	1,199	720	578	178	18	2,693	2,675	18
BVPS (IDR)	2024F	2,152	2,131	3,063	4,352	3,169	14,867	11,698	3,169
EPS (IDR)	2024F	431	449	622	615	355	2,472	2,117	355
DPS (IDR)	2024F	250	382	373	281	71	1,357	1,286	71
PBV (x)	2024F	4.3	2.1	2.0	1.1	0.4	3.0	3.0	0.4
PE (x)	2024F	21.5	10.1	9.8	7.5	3.6	14.9	15.0	3.6
Yield (%)	2024F	2.7	8.4	6.1	6.1	5.6	5.2	5.2	5.6
PPOP	2021	48.6	77.0	57.7	31.1	6.7	221.0	214.3	6.7
(IDRtn)	2022	52.6	91.7	72.0	34.4	7.8	258.6	250.7	7.8
	2023	62.6	106.4	84.9	35.0	8.3	297.1	288.8	8.3
	2024F	71.5	117.7	92.6	37.4	8.8	328.0	319.2	8.8
	2025F	77.6	126.8	102.9	41.3	9.8	358.4	348.6	9.8
Net profit	2021	31.4	31.1	28.0	10.9	2.4	103.8	101.4	2.4
(IDRtn)	2022	40.7	51.2	41.2	18.3	3.0	154.4	151.4	3.0
	2023	48.6	60.1	55.1	20.9	3.5	188.2	184.7	3.5
	2024F	53.1	62.3	55.1	22.3	3.8	196.5	192.8	3.8
	2025F	57.4	68.9	61.6	25.0	4.2	217.1	212.9	4.2
PPOP growth	2021	12.9	34.1	26.1	11.7	45.0	21.6	21.4	45.0
(%)	2022	8.4	19.1	24.8	10.8	17.6	15.0	15.0	17.6
	2023	18.9	16.0	17.9	1.6	6.0	16.7	16.7	6.0
	2024F	14.3	10.7	9.1	7.0	6.4	11.7	11.7	6.4
	2025F	8.5	7.7	11.2	10.4	10.8	9.0	9.0	10.8
Net profit growth	2021	15.8	66.5	63.7	66.3	48.3	43.2	43.2	48.3
(%)	2022	29.6	64.7	46.9	68.0	28.1	45.3	45.4	28.1
	2023	19.4	17.5	33.7	14.2	15.0	21.6	21.6	15.0
	2024F	9.2	3.6	0.1	6.6	7.4	5.6	5.6	7.4
	2025F	8.1	10.7	11.8	12.1	11.8	9.9	9.9	11.8
Loan growth	2021	8.2	10.6	17.6	(0.6)	5.7	10.2	10.3	5.7
(%)	2022	11.7	9.5	14.4	11.0	8.5	11.6	11.6	8.5
	2023	13.9	11.2	16.4	7.6	11.9	13.3	13.3	11.9
	2024F	11.3	11.0	11.6	10.0	9.7	11.2	11.2	9.7
	2025F	11.4	11.6	11.3	10.0	9.7	11.3	11.3	9.7
Deposit growth	2021	16.1	1.6	23.4	7.3	6.0	13.1	13.2	6.0
(%)	2022	6.5	14.9	15.5	5.5	8.8	10.6	10.6	8.8
	2023	6.0	3.9	5.8	6.5	8.7	5.4	5.4	8.7
	2024F	6.7	5.0	8.9	7.8	10.1	6.8	6.8	10.1
	2025F	6.9	8.4	9.2	9.0	10.2	8.0	7.9	10.2
LDR	2021	65.2	91.3	81.0	78.3	92.9	76.6	76.5	92.9
(%)	2022	68.3	87.1	80.2	82.4	92.7	77.0	76.9	92.7
	2023	73.5	93.2	88.3	84.5	95.4	82.8	82.7	95.4
	2024F	76.6	98.5	90.3	84.6	95.1	86.1	86.0	95.1
	2025F	79.8	101.4	92.1	85.5	94.7	88.7	88.7	94.7
NIM	2021	5.1	7.7	5.1	4.7	4.0	5.7	5.8	4.0
(%)	2022	5.2	7.8	5.5	4.8	4.3	5.9	5.9	4.3
	2023	5.7	7.9	5.5	4.6	3.6	6.1	6.1	3.6
	2024F	5.7	7.7	5.2	4.3	3.6	6.0	6.0	3.6
	2025F	5.7	7.6	5.3	4.5	3.7	6.0	6.0	3.7
Non-int inc. growth	2021	15.2	42.5	13.0	18.4	(1.2)	22.2	22.3	(1.2)
(%)	2022	1.7	20.1	10.5	14.4	(15.8)	9.2	9.4	(15.8)
	2023	9.0	5.7	13.5	6.6	86.0	9.4	8.9	86.0
	2024F	9.4	5.2	10.0	6.1	7.5	8.2	8.2	7.5
	2025F	8.8	6.5	10.0	6.2	13.1	8.3	8.3	13.1

BMRI (BUY, IDR 7,400) and BBCA (BUY, IDR 10,800) are our top picks in the banking sector

We forecast banks under our coverage to book YoY earnings growth of 7.1% in FY24 and 9.8% in FY25

Source: Companies, SSI Research

**Table 4. Valuation metrics for conventional banks under our coverage (Part 2)**

Ticker		BBCA	BBRI	BMRI	BBNI	BBTN	Sector	Big 4	Non big 4
Rating		BUY	BUY	BUY	BUY	HOLD		OVERWEIGHT	
Non-int inc. to total inc. (%)	2021	27.6	26.9	31.9	31.5	15.8	28.5	28.6	15.8
	2022	25.4	28.8	30.1	32.8	12.1	27.7	27.8	12.1
	2023	24.1	28.3	30.9	34.2	22.2	27.3	27.3	22.2
	2024F	23.7	27.4	31.5	33.9	22.1	27.0	27.1	22.1
	2025F	23.9	27.3	31.5	32.9	22.8	27.0	27.0	22.8
Cost to income (%)	2021	55.2	78.4	70.9	44.4	89.3	64.2	64.1	89.3
	2022	49.0	69.0	62.6	44.0	86.4	57.2	57.0	86.4
	2023	46.0	67.9	57.5	44.3	85.9	54.4	54.2	85.9
	2024F	45.5	67.6	60.4	44.4	86.4	54.8	54.6	86.4
	2025F	45.1	66.4	59.7	43.8	86.2	54.1	53.9	86.2
Credit cost (%)	2021	1.5	3.6	2.0	3.4	1.4	2.3	2.3	1.4
	2022	0.6	2.5	1.4	1.9	1.4	1.4	1.4	1.4
	2023	0.3	2.5	0.8	1.4	1.3	1.1	1.1	1.3
	2024F	0.4	2.7	1.1	1.4	1.1	1.2	1.2	1.1
	2025F	0.4	2.4	1.0	1.3	1.1	1.1	1.1	1.1
NPL ratio (%)	2021	2.2	3.1	2.8	3.7	3.7	2.7	2.7	3.7
	2022	1.7	3.1	1.9	2.8	3.4	2.2	2.2	3.4
	2023	1.9	3.1	1.0	2.1	3.0	2.0	2.0	3.0
	2024F	1.8	3.2	1.2	2.4	2.7	2.1	2.1	2.7
	2025F	1.7	3.2	1.2	2.3	2.7	2.0	2.0	2.7
ROA (%)	2021	2.7	1.9	1.8	1.2	0.6	2.2	2.2	0.6
	2022	3.2	2.9	2.2	1.8	0.8	2.8	2.8	0.8
	2023	3.6	3.1	2.6	2.0	0.8	3.1	3.1	0.8
	2024F	3.6	3.1	2.4	2.0	0.8	3.1	3.1	0.8
	2025F	3.6	3.2	2.5	2.0	0.9	3.1	3.1	0.9
ROE (%)	2021	16.2	12.8	14.2	9.3	11.1	14.4	14.4	11.1
	2022	19.2	17.4	19.0	14.1	11.8	18.3	18.3	11.8
	2023	21.0	19.7	22.4	14.6	11.5	20.5	20.5	11.5
	2024F	20.9	19.6	20.3	14.3	11.7	19.9	20.0	11.7
	2025F	20.6	20.8	20.7	14.9	11.9	20.3	20.3	11.9
CAR (%)	2021	22.9	27.2	19.6	17.1	19.3	22.9	22.9	19.3
	2022	23.0	25.5	19.6	17.1	19.1	22.5	22.5	19.1
	2023	26.8	27.1	21.9	23.5	21.0	25.6	25.6	21.0
	2024F	29.6	24.2	20.4	23.3	19.5	25.7	25.7	19.5
	2025F	30.1	23.8	21.6	23.2	20.7	26.0	26.1	20.7
Tier 1 (%)	2021	22.1	26.2	18.4	16.0	13.8	21.9	22.0	13.8
	2022	22.1	24.5	18.6	16.0	17.0	21.6	21.6	17.0
	2023	25.8	26.0	20.7	21.4	16.9	24.4	24.4	16.9
	2024F	28.6	23.2	20.8	21.3	18.0	24.9	25.0	18.0
	2025F	29.0	22.8	22.3	21.3	18.4	25.3	25.4	18.4

We downgraded our FY24 NPL ratio forecasts for banks under our coverage and raised our CoC forecasts

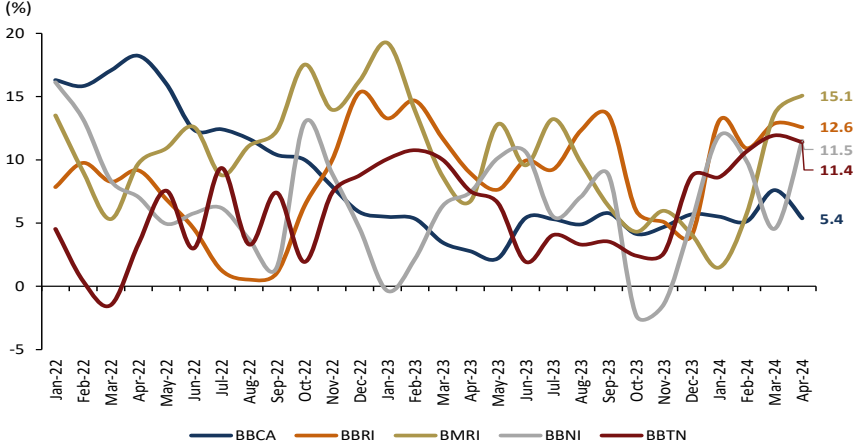
Source: Companies, SSI Research

**Table 5. Earnings revisions**

Stock	Net Profit 2024F (IDRtn)		Changes in NP	NIM 2024F (%)		Changes in NIM	ROE 2024F (%)		Changes in ROE
	Old	New	(%)	Old	New	(ppts)	Old	New	(ppts)
BBCA	53.1	53.1	0.0	5.7	5.7	0.0	20.9	20.9	0.0
BBRI	66.7	62.3	(6.7)	7.9	7.7	(0.2)	19.9	19.6	(0.3)
BMRI	58.0	55.1	(5.0)	5.3	5.2	(0.1)	20.4	20.3	(0.1)
BBNI	23.6	22.3	(5.6)	4.5	4.3	(0.2)	14.7	14.3	(0.4)
BBTN	3.8	3.8	(0.5)	3.7	3.6	(0.0)	11.8	11.7	(0.1)

Source: Companies, SSI Research

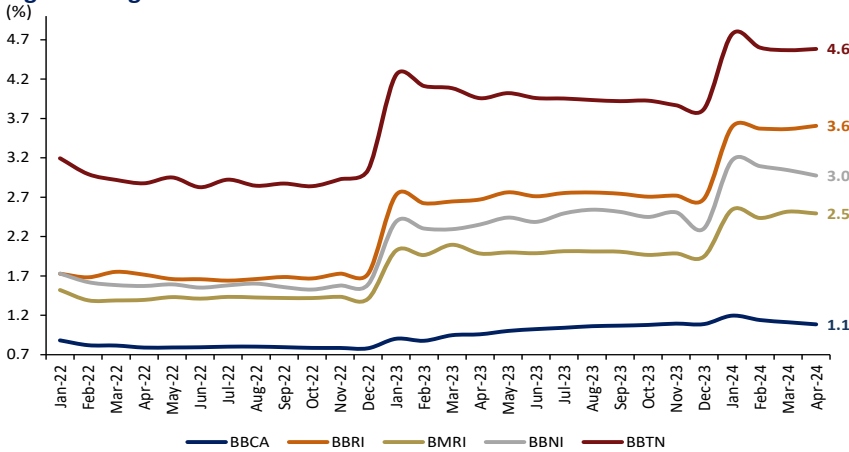
**Figure 4. Deposits YoY growth of big 4 banks**



Slower deposit growth compared to loan growth leads to higher LDR

Source: Companies, SSI Research

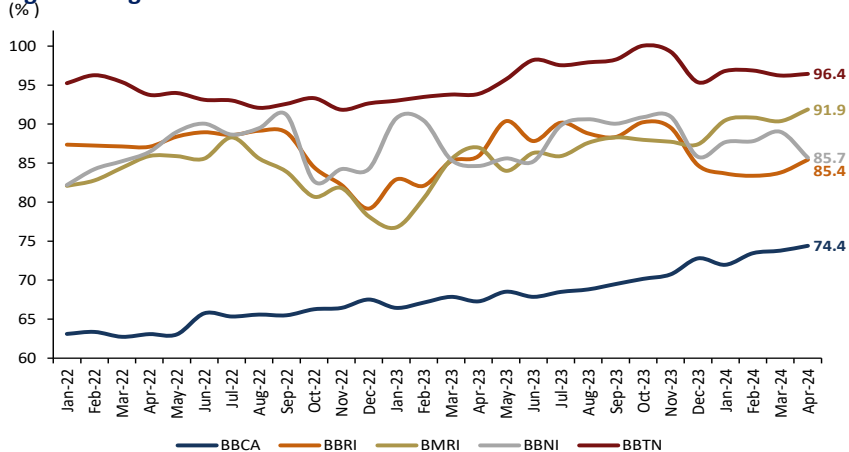
**Figure 5. Big 4 banks' cost of funds**



Most of the banks under our coverage booked higher CoF YTD, mainly due to their efforts to obtain more funding in the midst of high interest rate environment

Source: Companies, SSI Research

**Figure 6. Big 4 banks' LDR**



LDR went up 32bps YoY due to slower deposit growth

Source: Companies, SSI Research

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