

Bank Central Asia (BBCA): BUY, SSI TP: IDR 12,500; Cons. TP: IDR 11,622

3Q24 Results: 24 October 2024

(IDRbn)	3Q24	QoQ (%)	YoY (%)	9M23	9M24	YoY (%)	9M24/ SSI(%)	9M24/ Cons. (%)
Net interest income	21,136	5.1	12.4	55,907	61,081	9.3	-	-
Non-interest income	6,600	10.0	7.6	18,300	19,000	3.8	-	-
Total operating income	27,736	6.3	11.2	74,207	80,081	7.9	72.7	73.9
Provisions	1,192	0.6	1.9	2,292	2,946	28.6	-	-
Operating profit	17,696	2.3	17.4	44,867	50,875	13.4	-	-
Net profit	14,197	1.4	16.2	36,420	41,074	12.8	77.3	76.1
Key ratios (%)								
NIM	-	-	-	5.5	5.8	-	-	-
LDR	-	-	-	70.3	77.9	-	-	-
Capital adequacy	-	-	-	29.5	29.3	-	-	-
Gross NPL	-	-	-	2.0	2.1	-	-	-
ROE	-	-	-	21.7	22.3	-	-	-

SWOT Analysis of the Results (In-line)

Strength

Strong 3Q24 earnings growth of 16.2% YoY, driven by solid loan growth (14.5% YoY) and improved NIM (+10bps QoQ) as the bank's CoF declined

Weakness

3Q24 LDR rose to 77.9% (+760bps YoY), as BBCA's deposit growth (+3.4% YoY) significantly lagged behind its loan growth (+3.2% QoQ, +14.5% YoY); CoC rose 40bps to 0.6%, exceeding BBCA's FY24 CoC target of 30-40bps

Opportunity

Given that it has the highest CASA ratio (82%) among our banking coverage (Sector: 65%), BBCA would benefit most if BI were to cut its 7DRR further in 4Q24, as the bank would be able to adjust TD rate immediately

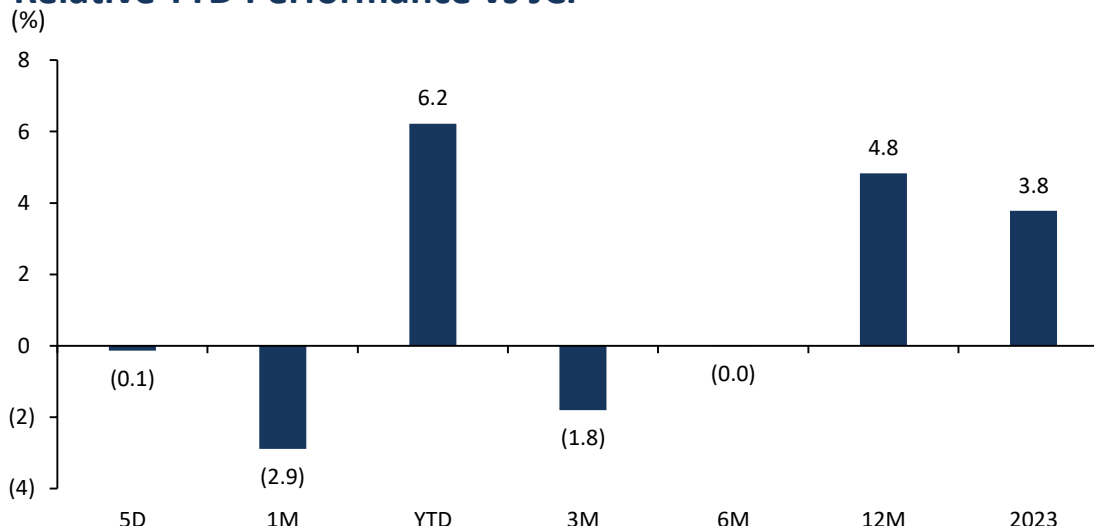
Threat

The bank may need to raise CoC if asset quality deteriorates further due to USD/IDR depreciation; BBCA's YTD outperformance against the JCI may result in some profit taking going forward

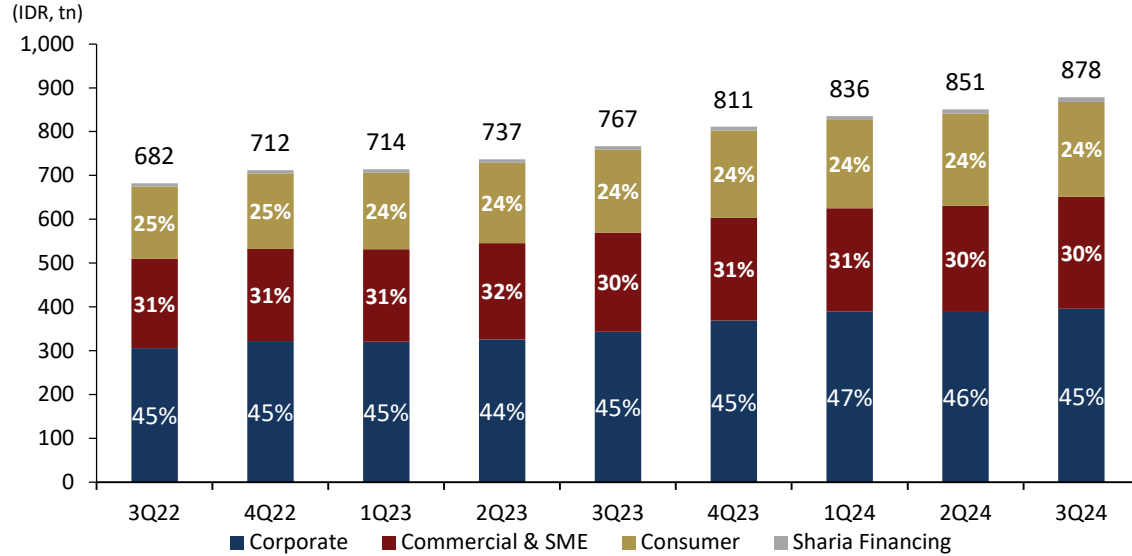
Peer Comparables

Company Ticker	Rating	Market Cap. (IDR tn)	Last Price (IDR)	TP (IDR)	YTD Net Buy/(Sell) (IDR bn)	Upside Potential (%)	2024F			
							NIM (%)	EPS Growth (%)	PBV (x)	ROE (%)
BBCA	BUY	1,313	10,500	12,500	6,070	19.0	5.7	9.2	4.9	20.9
BBRI	HOLD	737	4,900	5,500	(23,719)	12.2	7.7	3.6	2.3	19.6
BMRI	BUY	660	7,075	8,500	2,908	20.1	5.2	0.1	2.3	21.2
BBNI	BUY	212	5,650	6,500	720	15.0	4.3	6.6	1.3	14.3
BRIS	HOLD	139	3,000	2,900	1,963	(3.3)	5.5	15.6	3.1	16.9
PNBN	BUY	41	1,905	2,200	143	15.5	4.6	6.6	0.9	5.3
ARTO	HOLD	41	2,930	3,000	797	2.4	7.9	53.7	4.8	1.3
BBTN	HOLD	21	1,470	1,400	376	(4.8)	3.6	7.4	0.5	11.7
Sector	Overweight	3,164			(2,247)	16.0	6.0	6.6	3.3	19.5

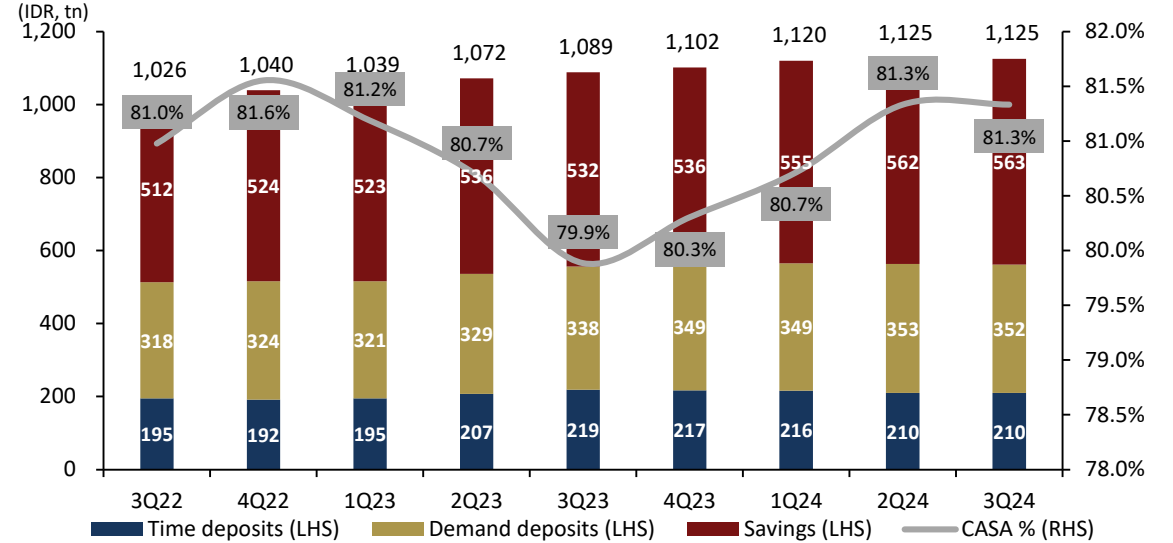
Relative YTD Performance vs JCI



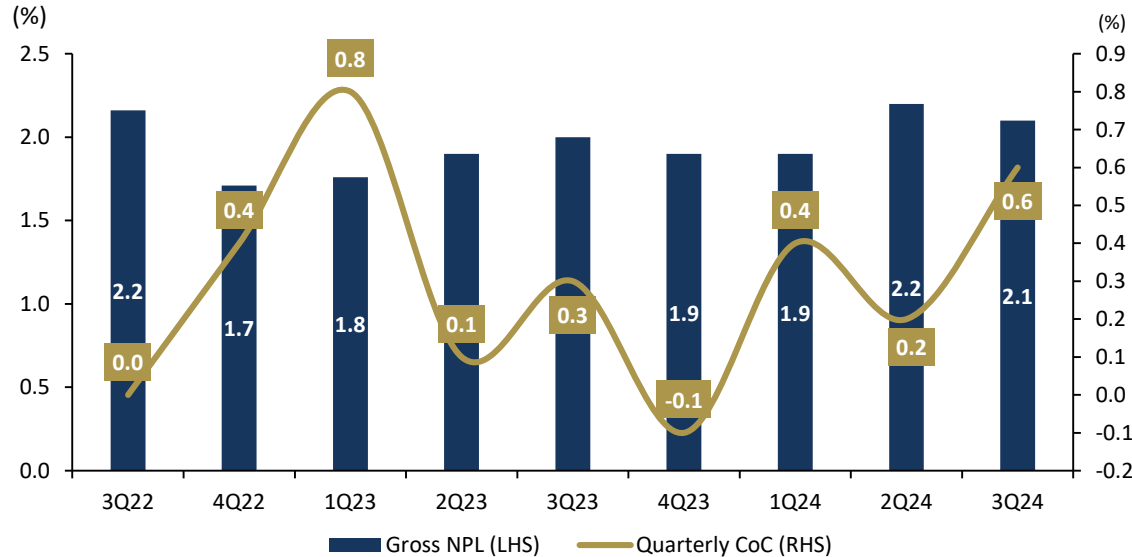
BBCA's Loan Breakdown



BBCA's TPF Breakdown



BBCA's NPL & CoC



BBCA's Restructured Loans

