# Bank Central Asia (BBCA): BUY, SSI TP: IDR 12,500; Cons. TP: IDR 12,032



### 10M24 Bank-only Results: 18 November 2024

(1001)		MoM	YoY		•	YoY	10M24/	10M24/	
(IDRbn)	Oct-24	(%)	(%)	10M23	10M24	(%)	2024F	cons	
Net Interest Income	6,659	3.1	10.8	58,348	63,663	9.1	-	-	
Non-interest income	2,730	39.1	(1.6)	18,981	19,697	3.8	-	-	
Total operating income	9,390	11.5	6.8	77,329	83,360	7.8	75.7	76.8	
Provisions	(341)	n.a.	n.a.	2,252	1,488	(33.9)	-	-	
Operating profit	7,002	26.0	20.1	49,267	56,584	14.9	-	-	
Net profit	5,859	33.9	18.8	40,228	46,226	14.9	87.0	85.0	
Key ratios (%)									
Assets yield (annualized)	-	-	-	6.5	6.7	-	-	-	
Cost of funds (annualized)	-	-	-	1.1	1.1	-	-	-	
NIM (annualized)	-	-	-	5.6	5.8	-	-	-	
Credit Costs (annualized)	-	-	-	0.4	0.2	-	-	-	
LDR	-	-	-	70.2	78.0	-	-	-	
ROE (annualized)	-	-	-	21.0	22.1	-	-	-	

# **Peer Comparables**

Company Ticker	Rating	Market Cap.	Last Price	TP	YTD Upside Net Buy/(Sell) Potential		2024F			
							NIM	EPS Growth	PBV	ROE
		(IDR tn)	(IDR)	(IDR)	(IDR bn)	(%)	(%)	(%)	(x)	(%)
ввса	BUY	1,242	10,075	12,500	3,690	24.1	5.7	9.2	4.7	20.9
BBRI	BUY	670	4,420	5,500	(27,708)	24.4	7.7	3.6	2.1	19.6
BMRI	BUY	590	6,325	8,500	542	34.4	5.2	3.0	2.1	21.2
BBNI	BUY	182	4,890	6,500	190	32.9	4.3	6.6	1.1	14.3
BRIS	BUY	132	2,870	3,300	1,870	15.0	5.5	15.6	3.0	16.9
PNBN	BUY	34	1,865	2,200	167	18.0	4.6	6.6	0.9	5.3
ARTO	HOLD	34	2,470	2,600	791	5.3	7.9	53.7	4.0	1.3
BBTN	SELL	18	1,265	1,100	305	(13.0)	3.6	7.4	0.4	11.7
Sector	Overweight	2,903			(4,594)	25.9	6.0	7.3	3.2	19.6

## **SWOT Analysis of the Results (In-line)**

### Strength

Strong 10M24 earnings growth of 14.9% YoY driven by solid loan growth (14.2% YoY) and improved NIM (+20bps YoY); BBCA recorded some reversal in provisions during Oct-24, resulting in 10M24 CoC of 22bps (BBCA's FY24 guidance: 30-40bps)

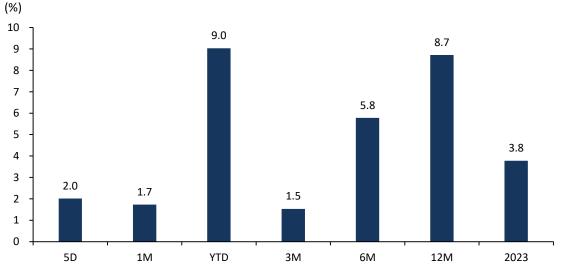
#### Weakness

10M24 LDR rose to 78.0% (+783 bps YoY), highest since 6M20, primarily due to significant gap between deposit (2.7% YoY) and loan growth (14.2% YoY)

# Threat

The bank may need to raise CoC if asset quality deteriorates due to USD/IDR depreciation; BBCA's YTD outperformance against JCI could lead to profit-taking

### **Relative YTD Performance vs JCI**



#### **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, as the bank would be able to adjust TD rate immediately