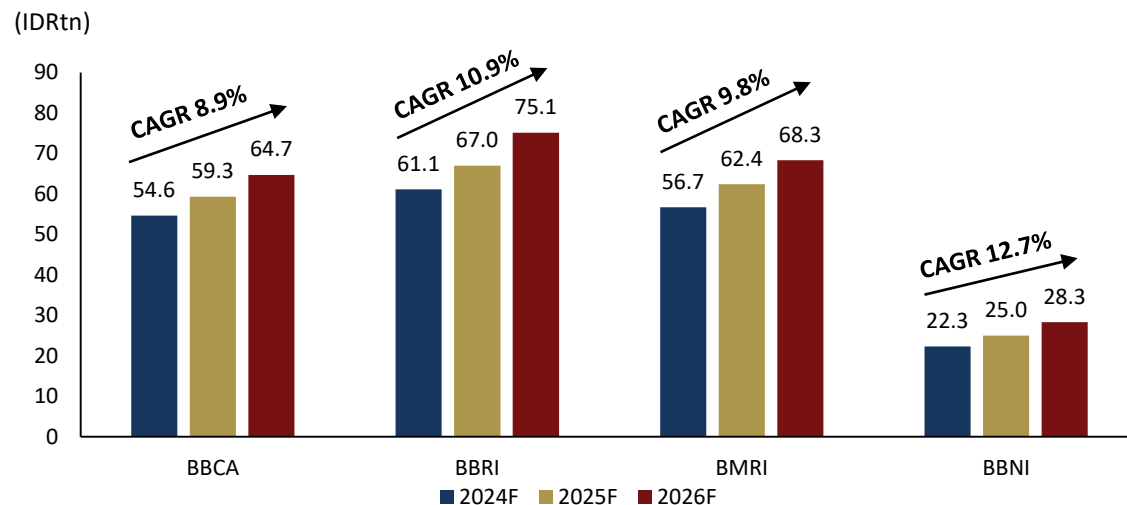


Banking: Overweight with BBKA & BMRI as Top Picks

Banking Sector Net Profit Outlook



Peer Comparables

Company Ticker	Rating	Market Cap. (IDR tn)	Last Price (IDR)	TP (IDR)	YTD Net Buy/(Sell) (IDR bn)	Upside Potential (%)	2025F			
							NIM (%)	EPS Growth (%)	PBV (x)	ROE (%)
BBKA	BUY	1,208	9,800	12,500	840	27.6	5.8	8.7	4.1	21.1
BBRI	BUY	637	4,200	5,500	(37,456)	31.0	7.6	9.5	1.9	20.4
BMRI	BUY	539	5,775	8,500	(1,380)	47.2	5.3	10.1	1.7	20.9
BBNI	BUY	163	4,360	6,500	(882)	49.1	4.5	12.1	0.9	14.9
BRIS	BUY	130	2,810	3,400	1,768	21.0	5.5	12.8	2.6	17.0
PNBN	BUY	33	1,785	2,200	173	23.2	4.5	10.8	0.8	8.5
ARTO	HOLD	33	2,410	2,800	723	16.2	7.8	49.0	3.9	2.0
BBTN	SELL	16	1,140	1,100	253	(3.5)	3.6	15.4	0.3	11.1
Sector	Overweight	2,759			(8,501)	32.8	6.0	10.1	2.8	19.9

SWOT Analysis of 2025 Outlook

Strength

Loan growth projected to improve to 11-13% in 2025F, up from 10-12% in 2024F, primarily driven by MSME loans, as fiscal spending shifts focus toward growth and household consumption

Weakness

CoC may slightly rise in 2025 as banks operate at highly efficient credit cost levels; CIR is also expected to see a modest increase

Opportunity

Potential rate cuts and lower statutory reserve requirement from BI are anticipated to enhance liquidity and reduce CoF, supporting NIM growth

Threat

Potential risk of asset quality deterioration due to weaker purchasing power coupled with IDR depreciation on the back of stronger USD for longer

Relative YTD Performance vs JCI (%)

