

Bank Negara Indonesia (BBNI): IDR 4,790 — BUY, SSI TP: IDR 6,000; Cons. TP: IDR 6,131



4Q24 Results: 22 January 2025

(IDRbn)	QoQ		YoY		YoY		12M24/	
	4Q24	(%)	(%)	12M23	12M24	(%)	SSI	Cons.
Net interest income	11,042	6.5	8.9	41,276	40,480	(1.9)	-	-
Non-interest income	7,198	21.7	5.5	21,472	24,035	11.9	-	-
Total operating income	18,240	12.0	7.5	62,748	64,515	2.8	96.0	101.0
Provisions	2,618	46.6	(0.7)	9,363	7,787	(16.8)	-	-
Operating profit	6,718	(3.6)	7.6	25,774	26,616	3.3	-	-
Net profit	5,155	(8.2)	(0.0)	20,909	21,464	2.7	96.3	97.2
Key ratios (%)								
Net interest margin (%)	-	-	-	4.6	4.2	-	-	-
Loan/deposit (%)	-	-	-	85.7	96.3	-	-	-
Capital adequacy (%)	-	-	-	22.0	21.4	-	-	-
Gross NPL (%)	-	-	-	2.1	2.0	-	-	-
ROAE (%)	-	-	-	14.9	13.9	-	-	-

SWOT Analysis of the Results (Slightly Below)

Strength

In 4Q24, BBNI booked solid loan and savings growth of respectively 11.6% YoY and 11.0% YoY, driven mainly by corporate clients; 4Q24 LAR improved to 10.3% vs. 11.8% in 3Q24, primarily due to additional write-offs of IDR 5.4tn

Weakness

4Q24 LDR rose to 96.3% (3Q24: 95.5%), while CoF increased 5bps QoQ amid liquidity challenges; CoC jumped 46% QoQ due to additional provisions booked for Sritex Group (IDR 3.3tn), the largest amongst Indonesia's corporate banks

Opportunity

The 100% DHE policy (current: 30%) will bring additional liquidity for BBNI, given that export proceeds account for 13% of the bank's FX deposits (USD 1.3bn); lower interest rate ahead could ease NPL pressure and provide buying opportunities

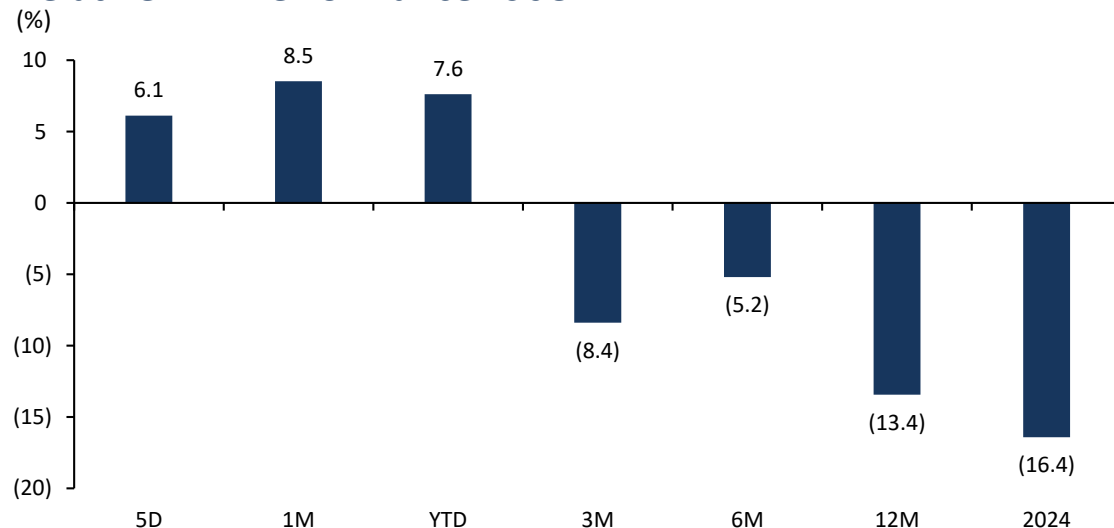
Threat

BBNI's NIM (4.2% in FY24) could fall to around 4% in FY25, as CoF remains a key challenge due to persistently high SRBI yields, prolonged elevated US interest rates, and slowing M2 growth; tight liquidity may lead to slower loan growth

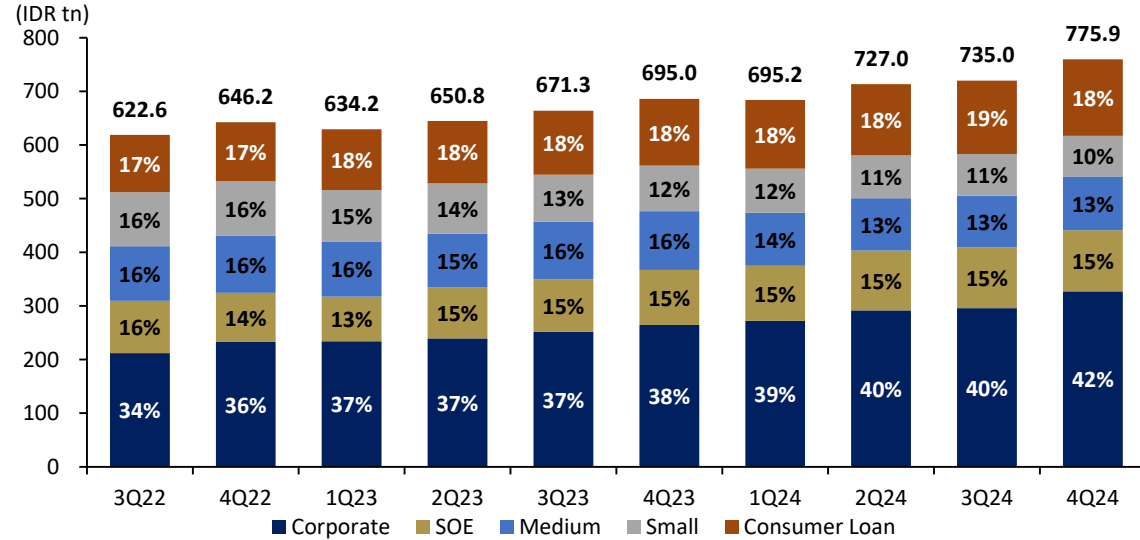
Peer Comparables

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 (%)
BBCA	BUY	1,183	9,600	12,000	(1,576)	25.0	5.8	8.7	4.0	21.1
BBRI	BUY	646	4,260	5,500	(238)	29.1	7.6	9.5	1.9	20.4
BMRI	BUY	574	6,150	8,000	(130)	30.1	5.3	10.1	1.8	20.9
BBNI	BUY	179	4,790	6,000	(214)	25.3	4.5	12.1	1.0	14.9
BRIS	BUY	131	2,840	3,400	(60)	19.7	5.5	12.8	2.6	17.0
PNBN	BUY	35	1,900	2,200	15	15.8	4.5	10.8	0.9	8.5
ARTO	HOLD	35	2,510	2,800	1	11.6	7.8	49.0	4.0	2.0
BBTN	SELL	15	1,085	950	(4)	(12.4)	3.6	15.4	0.3	11.1
Sector	Overweight	2,798			(765)	26.3	6.0	10.2	2.8	19.9

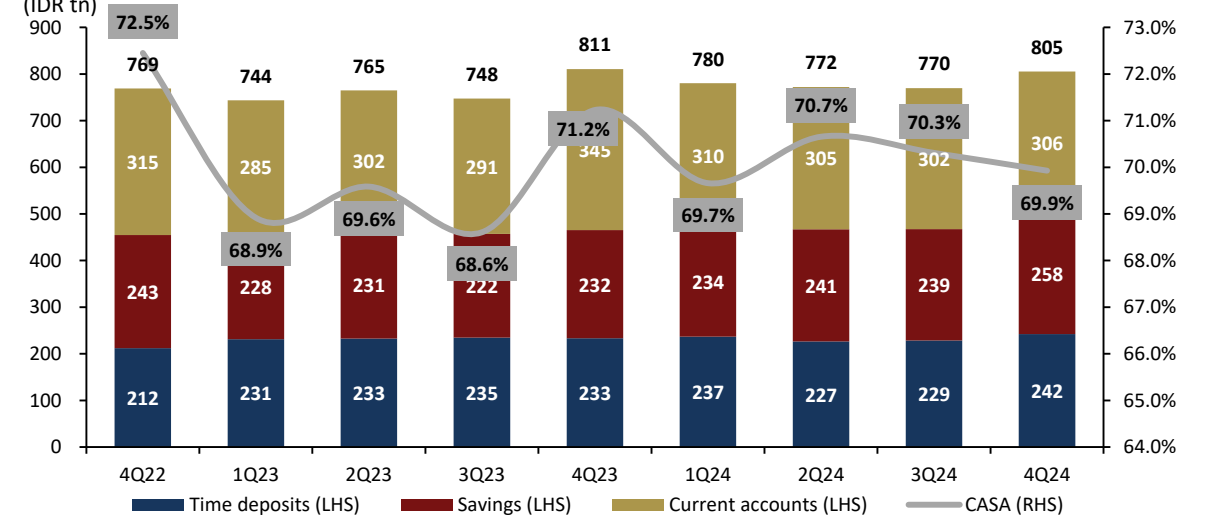
Relative YTD Performance vs JCI (%)



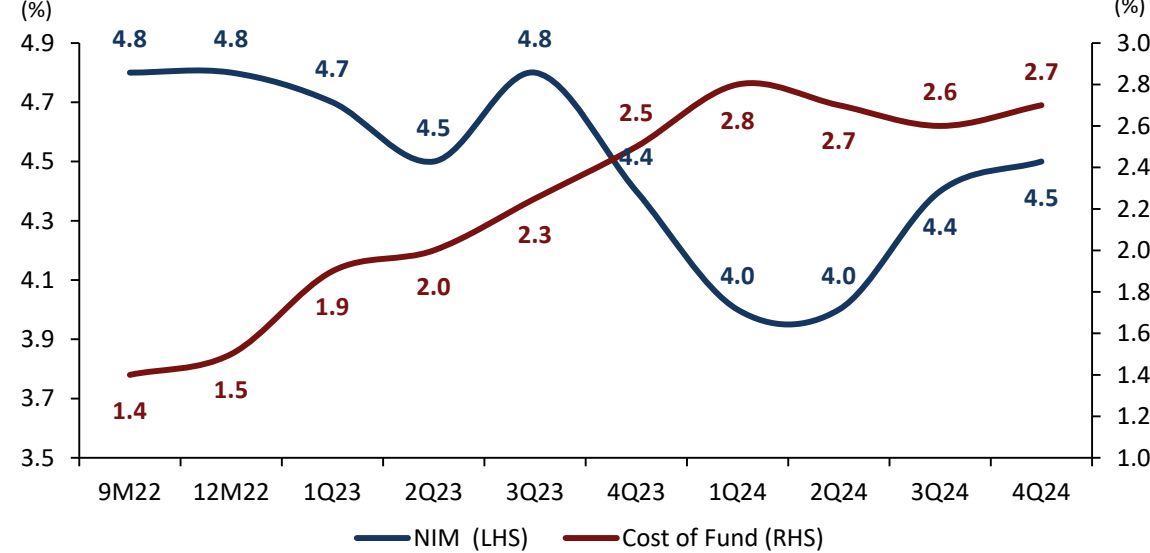
BBNI's Loan Breakdown



BBNI's TPF Breakdown



BBNI's NIM & CoF



BBNI's NPL & CoC

