

PT Bank Negara Indonesia Tbk (BBNI)

Banking Sector

Gaining momentum from recovery

03 October 2022

Recommendations : BUY

Stock

Price on 30/09/2022 (Rp)	9,050
12M target price (Rp)	10,600
Capital gain potential	17%

Stock Data

Outstanding shares	18,648,656,458
Market cap (Rp)	166,905,475,299,100
Weight VS IHSG (%)	2.39

Shareholders (%)

Government of Indonesia	60.01%
Foreign Entities	24.33%
Companies	6.33%
Public	9.33%
Outstanding Shares (unit)	18,648,656,458

Price Performance

52-week high/low	Rp9,900/Rp5,350
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Capital gain/(loss) (in %)

1 month	3 month	6 month	1 Year	YTD
2.87	14.01	9.15	67.29	32.59

Summary of Financial Performance

In IDR bn	2021A	2022E	2023F
Interest Income	50,026	51,475	55,954
Net Interest Income	38,247	39,187	42,425
Net Revenue	52,586	53,791	57,912
Operating Income	12,767	18,655	22,909
OPM	24.28%	34.68%	39.56%
Net Income	10,899	16,636	20,295
Net Income Margin	4.70%	4.73%	4.94%
EPS (Rp)	585	893	1,090
PER (x)	11.53	10.05	8.24
PBV (x)	1.00	1.22	1.10
Loans to Deposits	79.70	83.58	81.71
Loans to Assets	62.39	64.84	64.87

*) based on market price (30/09/2022) at Rp9,050

Sources : Company, Bloomberg and KB Valbury Sekuritas

Analyst(s)

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Alfiansyah

Laba bersih tumbuh 75,1% YoY pada 1H22 menjadi Rp8,80trn
Mempertahankan proyeksi pertumbuhan kredit 8-9% YoY pada 2022
Rekomendasi "BUY" dengan target harga Rp10.600 per saham

Peningkatan laba bersih dari penurunan provisi

Laba bersih BBNI naik 75,1% YoY pada 1H22 menjadi Rp8,80 triliun. Kenaikan laba bersih BBNI ditopang oleh penurunan biaya provisi sebesar 34,6% YoY pada 1H22 menjadi Rp6,40 triliun. Sehingga, PPOP BBNI meningkat 6,8% YoY pada 1H22 menjadi Rp17,24 triliun. Adapun, pendapatan bunga bersih naik 1,5% YoY pada 1H22 menjadi Rp19,61 triliun akibat penurunan beban bunga 0,9% YoY. Akan tetapi, NIM BBNI turun dari 4,9% pada 1H21 menjadi 4,7% pada 1H22 utamanya akibat penurunan blended loan yield. Adapun, CoF juga turun dari 1,7% pada 1H21 menjadi 4,7% pada 1H22 karena pemotongan suku bunga TD yang berlanjut. Kemudian, non-interest income bertumbuh 11% YoY pada 1H22 secara umum ditopang oleh pertumbuhan hasil investasi, perdagangan kurs dan derivatif. Sementara itu, beban operasional naik 7,5% YoY pada 1H22 dengan CIR sedikit turun dari 40,7% pada 1H21 menjadi 40,4% pada 1H22.

Kualitas aset dan pertumbuhan kembali prima

Kredit BBNI tumbuh 8,9% YoY pada 1H22 menjadi Rp620,4 triliun, terbantu oleh segmen korporasi swasta yang tumbuh 14,7% YoY, disusul oleh kredit UMKM dan kredit konsumsi dari payroll. Dari segi kualitas aset, NPL berkurang dari 3,9% pada 1H21 menjadi 3,2% pada 1H22 seiring dengan perbaikan makro ekonomi, yang terlihat dari LAR yang juga menurun dari 25,9% pada 1H21 menjadi 19,6%, juga SML dari 5,9% menjadi 4,6%. Sedangkan, restrukturisasi covid-19 juga turun menjadi 10,2% terhadap kredit. NPL coverage meningkat dari 215,3% pada 1H21 menjadi 263,3% pada 1H22. Sementara itu, likuiditas masih terjaga dengan LDR berada pada 90,1% pada 1H22 dibandingkan 87,8% pada tahun lalu. Dari segi permodalan, CAR solid dengan 18,4% pada 1H22, meningkat dibandingkan 18,2% tahun sebelumnya.

Kenaikan suku bunga belum berdampak tahun ini

Kami mempertahankan perkiraan kami atas pertumbuhan kredit BBNI pada tahun ini mencapai 8-9% YoY, seiring dengan pemulihan ekonomi nasional, terutama untuk segmen korporasi dan konsumsi. Adapun, kami melihat bahwa kenaikan suku bunga BI tahun ini kemungkinan mulai berdampak mulai tahun depan. Namun, kami melihat perbankan akan cenderung berhati-hati untuk mentransmisikan ke suku bunga kredit untuk membantu menjaga kualitas aset. Maka, BBNI cenderung akan mendorong efisiensi dari segi cost of fund terutama fokus kepada transaksi ritel dan wholesale melalui platform digital. Di sisi lain, likuiditas masih cukup terjaga, sehingga, kami memperkirakan NIM dapat terjaga pada kisaran 4,6-4,7% pada akhir tahun. Dengan pulihnya daya beli dan pandemic yang dapat segera berakhir, kami memperkirakan cost of credit BBNI dapat berkurang menjadi 1,9%-2,0% pada tahun ini.

Rekomendasi "BUY" ditengah fundamental BBNI yang solid

Kami merekomendasikan BUY untuk saham BBNI dengan target harga Rp10.600 per saham, yang mencerminkan valuasi PBV 2022E-2023E pada 1.22x dan 1.10x. Adapun, beberapa dasar atas rekomendasi kami yakni 1) pertumbuhan kredit yang terjaga; 2) kualitas aset dan restrukturisasi yang melandai; 3) efisiensi melalui digitalisasi sehingga dapat menekan CoF; 3) likuiditas dan permodalan yang kuat; dan 4) valuasi yang menarik. Adapun, kami mencatat beberapa resiko yakni 1) kenaikan inflasi akan berdampak terhadap daya beli sehingga dapat berdampak terhadap kualitas aset; dan 2) kenaikan suku bunga yang lebih tinggi dibandingkan perkiraan sehingga dapat berdampak terhadap pertumbuhan kredit dan dapat berpengaruh terhadap NIM jika likuiditas berkurang.

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Banking Sector

FINANCIAL OVERVIEW

Income Statement (Rp bn)	1H2021	1H2022	YoY Change	1Q2022	2Q2022	QoQ Change
Total Interest Income	25,296	25,531	0.9%	12,174	13,356	9.71%
Total Interest Expenses	5,974	5,921	-0.9%	2,943	2,978	1.19%
Net Interest Income	19,322	19,610	1.5%	9,231	10,378	12.43%
Total Non-Interest Income	7,111	7,764	9.2%	4,109	3,655	-11.05%
Net Revenue	26,433	27,373	3.6%	13,340	14,033	5.20%
Provision for Loan Losses	8,733	4,497	-48.5%	2,491	2,005	-19.51%
Net Revenue after Provisions	17,700	22,877	29.2%	10,849	12,028	10.87%
Total Non-Interest Expense	11,660	12,532	7.5%	6,145	6,387	3.94%
Operating Income	6,353	10,841	70.7%	4,704	5,641	19.93%
Income before Tax Expenses	6,285	10,819	72.1%	4,871	5,947	22.09%
Income for The Year	5,039	8,872	76.1%	3,975	4,897	23.18%
Net Income	5,027	8,803	75.1%	3,962	4,841	22.18%
EPS (IDR)	270	472	74.9%	213	260	22.09%
NPL Gross (%)	3.90	3.20	(0.70)	3.46	3.20	(0.26)
CAR (%)	19.15	19.69	0.54	20.31	19.69	(0.62)
NIM (%)	4.90	4.70	(0.20)	4.06	4.03	(0.03)
ROE (%)	4.22	6.75	2.52	3.08	3.71	0.63
ROA (%)	0.57	0.93	0.36	0.43	0.51	0.09
LDR/ RIM (%)	87.80	90.10	2.30	88.15	92.83	4.68
CASA (%)	69.60	69.23	(0.37)	69.23	69.23	(0.00)

Sources : Company and KB Valbury Sekuritas

FINANCIAL TABLES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

Year End Dec (Rp bn)	2020A	2021A	2022E	2023F	2024F
Interest Income	56,173	50,026	51,475	55,954	58,054
Interest Expense	19,021	11,779	12,288	13,529	14,203
Net Interest Income	37,152	38,247	39,187	42,425	43,851
Other Income	13,335	14,339	14,605	15,487	15,944
Net Revenue	50,487	52,586	53,791	57,912	59,795
Provisions for Loan Losses	21,042	15,716	16,076	16,445	16,822
Net Revenue After Provisions	29,445	36,870	37,715	41,467	42,974
Non Interest Expenses	24,214	24,801	19,060	18,559	16,199
Operating Income	5,231	12,767	18,655	22,909	26,774
Net Non-Operating Losses (Gains)	119	(482)	(522)	(560)	(550)
Pretax Income	5,112	12,551	19,177	23,468	27,325
Income Tax Expenses	1,791	1,574	2,448	3,046	3,356
Net Income	3,280	10,899	16,636	20,295	23,806
EPS (IDR)	176	585	893	1,090	1,278
Dividends Per Share (IDR)	44	146	223	272	320

Sources: Company, Bloomberg and KB Valbury Sekuritas

PT Bank Negara Indonesia Tbk (BBNI)

Banking Sector

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Year End Dec (Rp bn)	2020A	2021A	2022E	2023F	2024F
Assets					
Cash & Near Cash Items	52,390	62,366	59,087	60,795	61,284
Interbanking Assets	86,103	133,871	107,257	120,816	148,223
ST And LT Investments	120,346	138,061	154,575	168,622	191,170
Total Commercial Loans	496,283	502,609	547,148	600,076	660,116
Total Consumer Loans	107,652	99,263	108,852	118,547	128,130
Other Loans	165	128	111	93	77
Total Loans	604,100	602,000	656,110	718,716	788,324
Reserve for Losses on Loans	44,228	50,295	51,233	52,600	53,465
Net Loans	559,872	551,705	604,877	666,116	734,859
Net Fixed Assets	27,362	26,883	26,983	27,010	27,162
Investments in Associates	813	8,688	10,087	10,897	11,115
Total Deferred Tax Assets	4,800	6,230	7,758	7,871	8,188
Total Derivative Assets	1,461	494	619	629	564
Other Assets	38,190	36,539	40,684	45,114	49,835
Total Assets	891,337	964,838	1,011,926	1,107,871	1,232,400
Demand Deposits	227,475	281,398	295,346	339,481	388,470
Saving Deposits	236,696	224,670	248,673	272,368	297,733
Time Deposits	215,281	223,101	241,007	267,729	297,941
Total Deposits	679,452	729,169	785,026	879,578	984,145
ST Borrowings & Repos	25,842	31,885	44,315	31,635	32,757
LT Debt	34,590	36,812	36,604	35,094	34,983
Pension Liabilities	6,344	6,138	6,166	6,194	6,222
Total Liabilities	778,465	838,318	872,209	952,584	1,058,170
Share Capital & APIC	23,623	26,065	26,065	26,065	26,065
Retained Earnings	66,981	78,250	90,728	105,949	123,803
Other Equity	19,668	19,631	19,960	20,130	21,047
Equity before Minority Interest	110,193	123,738	136,753	152,144	170,915
Minority/Non Controlling Interest	2,680	2,782	2,965	3,143	3,315
Total Equity	112,872	126,520	139,718	155,287	174,230
Total Liabilities & Equity	891,337	964,838	1,011,926	1,107,871	1,232,400
Book Value Per Share	5,915	6,644	7,343	8,169	9,177

Sources: Company, Bloomberg and KB Valbury Sekuritas

PT Bank Negara Indonesia Tbk (BBNI)

Banking Sector

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year End Dec (Rp bn)	2020A	2021A	2022E	2023F	2024F
Net Income	3,280	10,899	16,636	20,295	23,806
+ Depreciation & Amortization	2,577	2,007	1,504	1,635	1,696
+ Provision for Loan Losses	21,042	15,716	16,076	16,445	16,822
+ Non-Cash Items	(1,877)	643	356	149	(64)
+ Net Ch in Operating Capital	24,803	(11,405)	(14,463)	(31,427)	(25,993)
Cash From Operating Activities	49,825	17,859	20,111	7,097	16,267
+ Net Change in Fixed Assets	26	327	394	548	747
+ Net Change in Investments	(1,273)	(1,850)	(1,000)	(1,000)	(1,000)
+ Change in Investments	(10,745)	(14,133)	(16,514)	(19,046)	(22,548)
+ Other Investing Activities	(38,349)	(7,685)	(42,680)	(56,988)	(67,291)
Cash From Investing Activities	(50,341)	(23,341)	(59,801)	(76,487)	(90,093)
+ Dividends Paid	(3,846)	(820)	(4,159)	(5,074)	(5,952)
+ Cash From (Repayment) Debt	(15,584)	8,375	(13,486)	(14,954)	(19,452)
+ Cash (Repurchase) of Equity	(79)	(128)	0	0	0
+ Net Change In Deposits	65,149	81,597	55,858	94,551	104,567
Cash From Financing Activities	46,239	51,915	38,213	74,524	79,164
Net Changes in Cash (IDR)	(76)	9,976	(3,279)	1,708	488

Sources: Company, Bloomberg and KB Valbury Sekuritas

RATIO ANALYSIS

Year End Dec	2020A	2021A	2022E	2023F	2024F
Valuation Ratios					
Price Earnings	35.07	11.53	10.05	8.24	7.02
EV to EBIT	17.31	7.59	10.13	7.56	6.48
Price to Sales	3.02	3.23	4.27	3.94	3.81
Price to Book	1.02	1.00	1.22	1.10	0.98
Dividend Yield	0.73%	2.21%	2.49%	3.04%	3.56%
Profitability Ratios					
Operating Margin	10.36%	24.28%	34.68%	39.56%	44.78%
Net Interest Margin	4.50%	4.70%	4.73%	4.94%	5.01%
Return on Assets	0.37%	1.13%	1.64%	1.83%	1.93%
Return on Common Equity	3.62%	10.45%	14.24%	15.37%	15.88%
Return on Capital	2.75%	7.84%	10.14%	12.17%	12.80%
Operating Income/Total Cap.	4.39%	9.19%	11.37%	13.74%	14.40%
Coverage Ratios					
Total Loans/Total Deposits	87.30	79.70	83.58	81.71	80.10
Total Loans/Total Assets	67.77	62.39	64.84	64.87	63.97
Total Deposits/Total Assets	76.23	75.57	77.58	79.39	79.86
CASA (%)	68.32	69.40	69.30	69.56	69.73
Equity/Assets	12.36	12.82	13.51	13.73	13.87
Capital Adequacy Ratio (%)	17.05	20.74	16.21	15.06	15.09
NPL - Gross (%)	4.30	3.70	3.42	3.33	3.33
Leverage Ratios					
LT Debt/Common Equity	0.38	0.35	0.31	0.27	0.23
LT Debt/Total Assets	3.88	3.82	3.62	3.17	2.84
Total Debt/Total Equity	66.70	65.85	69.28	50.55	45.20
Total Debt/Total Assets	6.78	7.12	8.00	6.02	5.50

*) based on market price (30/09/2022) at Rp9,050

Sources: Company, Bloomberg and KB Valbury Sekuritas

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