

# Insurance

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## Non-rated

### April results: Life decelerates, Non-life accelerates

According to Insurance Association of Viet Nam (IAV) announced 4M22 market figures. **Total insurance premium accumulated in 4M22 was pegged VND74,036bn (+14.1% yoy)**. In which, life insurance premium increased by 14.5% to VND51,782bn; non-life insurance premium also surged by 13% to VND22,254bn.

#### Life insurance: Slowing down

- Growth rate up to 4M22 for life insurance premium was 14.5% which continues to be less positive when compared to growth rate above 20% in 2020 and 2021. The losing growing momentum is claimed to delayed effect of COVID19. Having to be mentioned that the current pace is just weaker than one in previous period and we do not see any bad sign in long-term sector's outlook.
- Accumulated on-going contracts till end-April 2022 were 13.276mn contracts (+0.48% YTD, +8.2% yoy). However, the number of new placement contract is on decreasing trend. 4M22 new placement contracts were 925,896 (-22.8% yoy).
- Translating to premium, new placement contracts contributed VND15,026bn (-8.2% yoy) while renewal contracts increased to VND36,756bn (+27% yoy). The premium driver for life insurance is lying on the renewal side.
- Three main products accounting for the highest proportion in premium structure still call for Universal life insurance (52.6%), Unit-linked insurance (19.2%), and Mixed insurance (16.8%).
- Reimbursement expense (only main products) for life insurance in 4M22 was VND12,260bn.

#### Non-life insurance: Driving fast

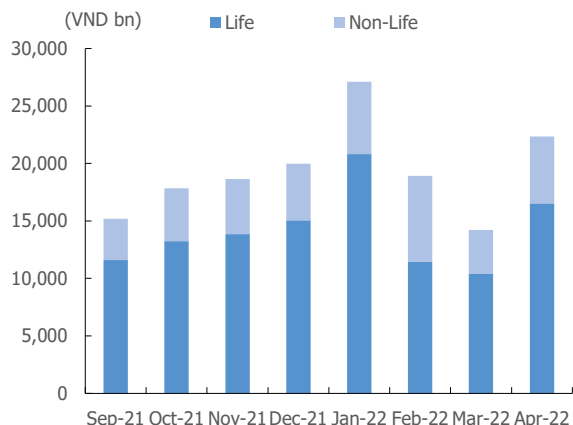
- Contrast to Life insurance, Non-life maintained an impressive growth rate. Particularly, 4M22 premium growth rate was 13%, much higher than 2020 and 2021 performance which is 6.2% and 3.98%, respectively. The main motivation comes from high-proportion products namely Health insurance as well as Motor vehicle insurance.
- Up to 4M22, Health insurance (31% in premium mix) increased 17.9% yoy. Motor vehicle insurance (28.1% in premium mix) rose 8.5% yoy. Property & Casualty Insurance (P&C, 13.3% in premium mix) grew 2.6% yoy. Fire & Explosion insurance (F&E, 13.1% in premium mix) picked up 23.1% yoy.
- Reimbursement expense (excluding claim reserve) in 4M22 totaled VND5,946bn (+13% yoy). The loss ratio amounted to 26.7%.

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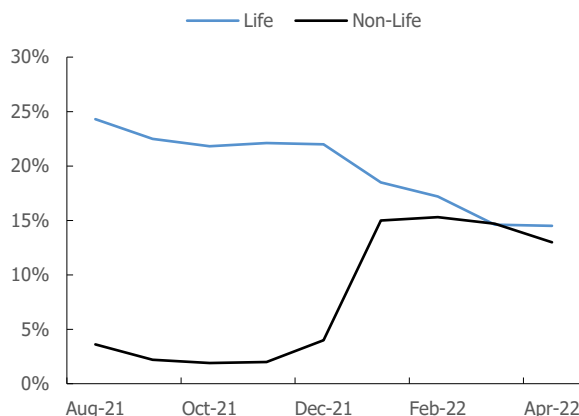
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**Figure 1. Insurance premium, monthly**



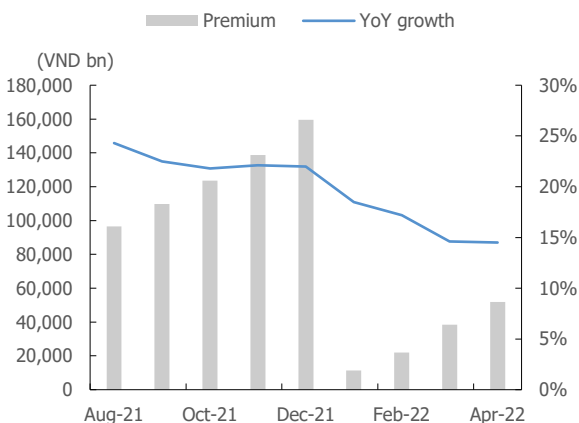
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 2. Insurance premium YOY growth**



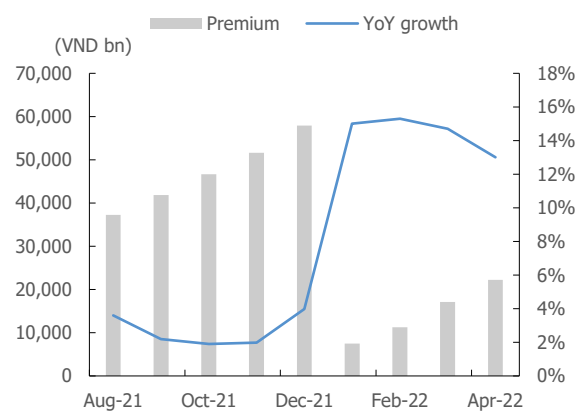
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 3. Life insurance premium, accumulated**



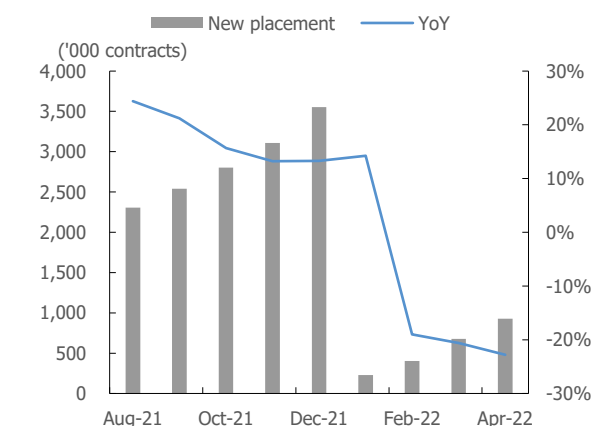
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 4. Non-life insurance premium, accumulated**



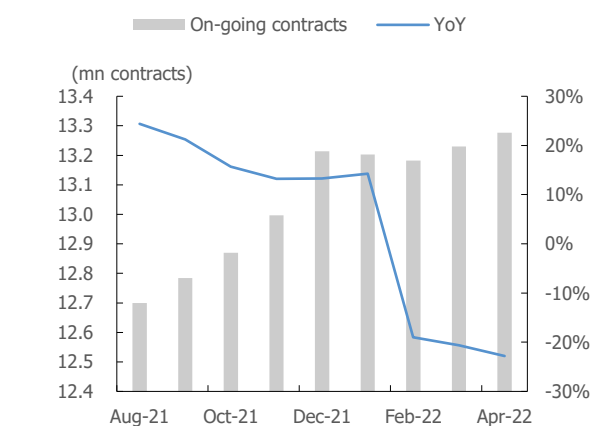
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 5. New placement life contract, accumulated**



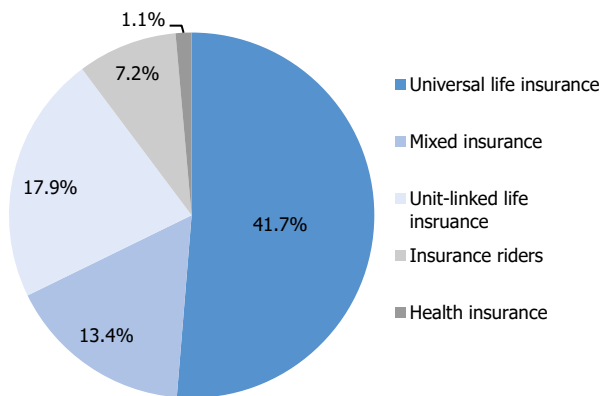
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 6. On-going contracts**



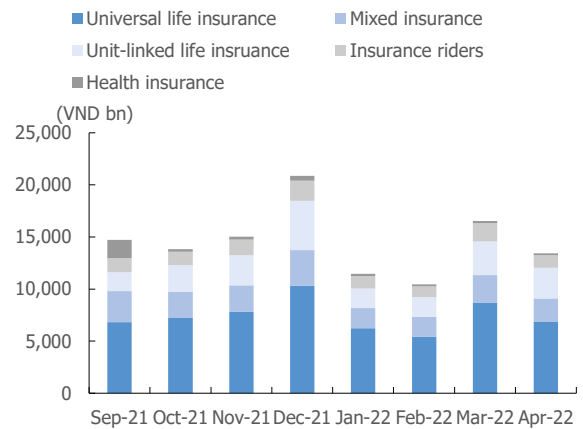
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 7. Life product structure according to premium in 4M22**



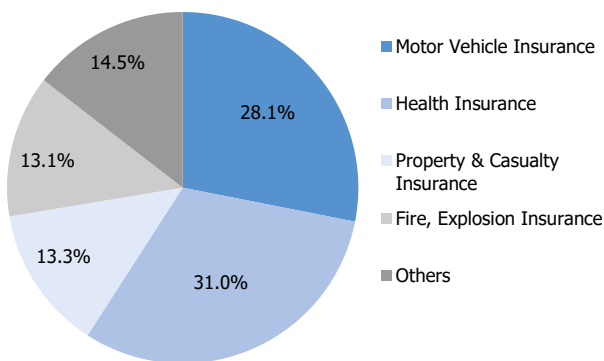
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 8. Life insurance premium, monthly**



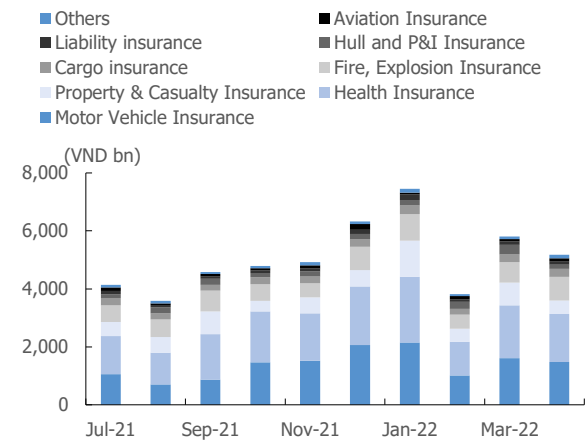
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 9. Non-life product structure according to premium**



Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 10. Non-life insurance premium, monthly**



Source: Insurance Association of Viet Nam, Korea Investment & Securities

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