

# Insurance

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## Non-rated

### March results: Still on track

According to Insurance Association of Viet Nam (IAV) published 3M22 market figures on May 16th 2022. Total insurance premium accumulated in 1Q22 was pegged VND58,485bn (+14.6% yoy). In which, life insurance premium increased by 14.7% to VND 17,082bn; non-life insurance premium also surged by 14.6% to VND38,403bn.

#### Life insurance: Renewal contracts led the growth

- In life insurance premium structure, renewal contract accounts for 72% with VND27,581bn (+29%yoy), offset by the tepid premium of new placement contract with VND6,059bn (-9.5% yoy).
- In terms of product mix according to premium, universal life still accounts for the highest proportion with 53.4%. For the rest, unit-linked insurance acquired second place in life insurance premium with 18.2%. Mixed insurance and insurance riders accounted for 16.9% and 10.4%, respectively.
- Reimbursementnt expense (only main products) for life insurance in 1Q22 was VND8,930bn (+42% yoy).

#### Non-life insurance: Stable growth

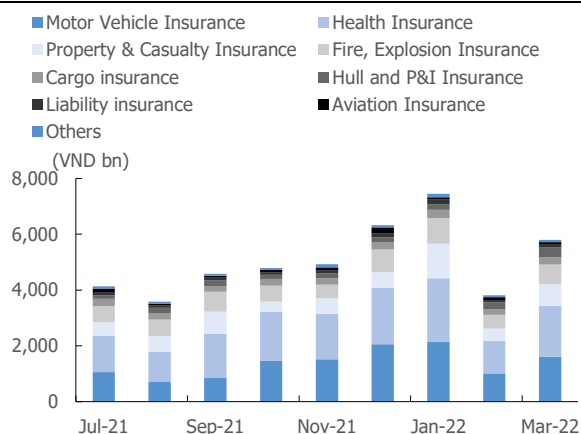
- Non-life insurance kept its growth pace with 14.7% yoy in 1Q22. In general, products with high proportion in premium mix witnessed development.
- Health insurance (30.7% in premium mix) increased 18.8% yoy. Motor vehicle insurance (28% in premium mix) rose 8.7% yoy. Property & Casualty insurance (P&C, 14.5% in premium mix) grew 22.3% yoy.
- Notably, aviation insurance skyrocketed by 70.3% yoy thanks to resilience of aviation industry by the resumption of international flights and low base in 2021.
- Reimbursementnt expense (excluding claim reserve) in 1Q22 totaled VND4,250bn. Loss ratio amounted to 24.9% (-5.2%p yoy).
- Insurance products with high loss ratios are motor vehicle insurance (40%), voluntary fire & exploration insurance (39.6% and guarantee insurance (34.9%).

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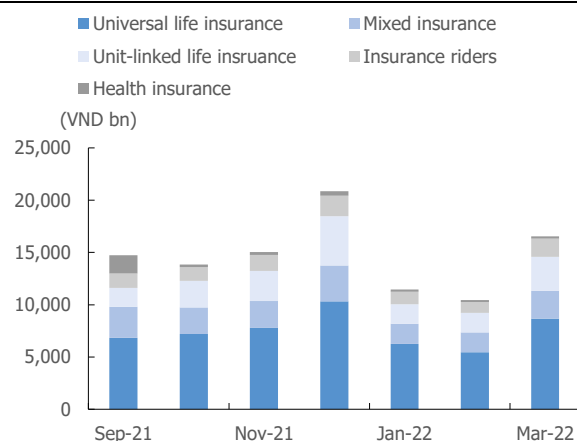
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**Figure 1. Non-life insurance premium**



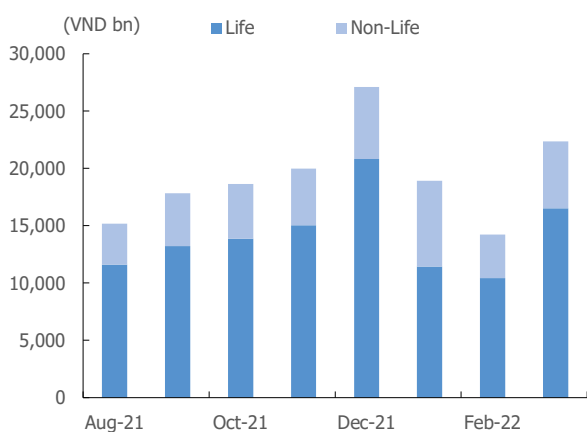
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 2. Life insurance premium**



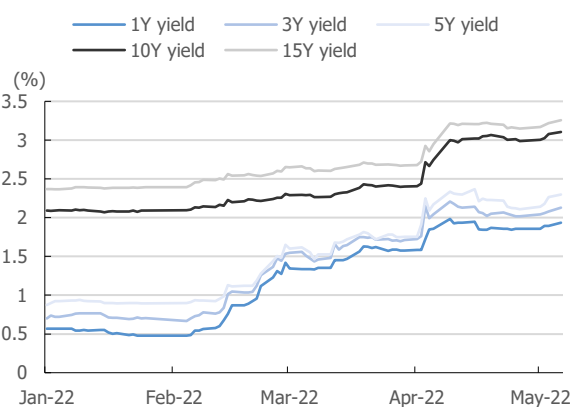
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 3. Insurance premium (Life and Non-life products)**



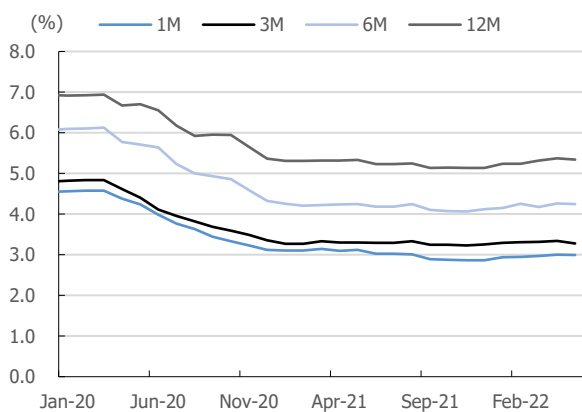
Source: Insurance Association of Viet Nam, Korea Investment & Securities

**Figure 4. Corporate bond yields**



Source: VBMA, Korea Investment & Securities

**Figure 5. Deposit rates at large banks**



Source: Respective company data, Korea Investment & Securities  
 Note: Deposit rates are calculated at an average of 7 largest commercial banks (BID, CTG, VCB, ACB, TCB, MBB, VPB).

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