

Insurance

Non-rated

June results: Non-life is on the rise

On Aug 16th, The Insurance Association of Viet Nam (IAV) announced 1H22 market figures. **Total insurance premium in 1H22 was VND118,252bn (+15.2% yoy)**. In which, life insurance premium increased by 15.7% to VND84,467bn; non-life insurance premium also surged by 14.1% to VND33,785bn.

Life insurance: Slow growth maintains

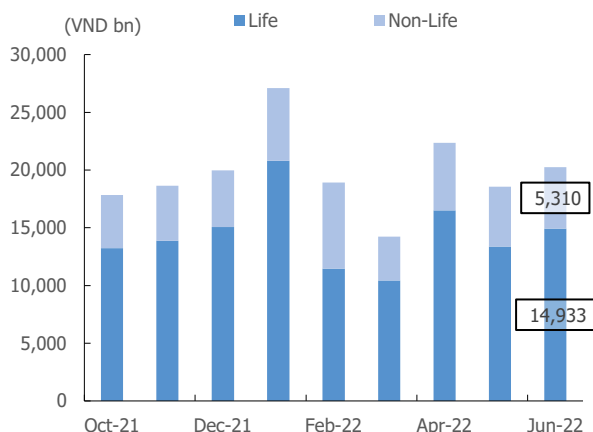
- Finishing half of 2022, life insurance market recorded a 15.7% growth in insurance premium which is lower than the growth over 20% of last year.
- Accumulated on-going contracts till end-June 2022 were 13.328mn contracts (+0.87% YTD, +5.8% yoy). The number of new contracts in June continued to stay at high base, 309,289 contracts. Total new contracts for 1H22 were 1.496bn contracts (+18% yoy).
- Translating to premium, new placement contracts contributed VND25,111bn (-2.3% yoy) while renewal contracts increased to VND59,356bn (+25% yoy). Renewal contracts kept recording good growth in premium and being the growth driver for life insurance market.
- Three main products accounting for the highest proportion in premium structure still call for Universal life insurance (51.5%), Unit-linked insurance (20.4%), and Mixed insurance (16.6%).
- Reimbursement expense (only main products) for life insurance in 1H22 was VND15,567bn.

Non-life insurance: On the rise

- Non-life insurance growth slightly increased to 14.1% in 1H22, still on the rise with double-digit figures. Overall, products accounting for high weights in insurance premium still recorded improvements in premium growth.
- In 1H22, Health insurance (31.1% in premium mix) increased 21.6% yoy. Motor vehicle insurance (27.7% in premium mix) rose 10% yoy. Fire & Explosion insurance (F&E, 13.7% in premium mix) picked up 24.3% yoy. Property & Casualty Insurance (P&C, 12.8% in premium mix) decreased 2.1% yoy.
- Reimbursement expense (excluding claim reserve) in 1H22 totaled VND9,678bn. The loss ratio amounted to 28.6% which is lower than 33% ratio in 2021. Motor vehicle and health insurance had high loss ratios with 39.8% and 29.2%, respectively.

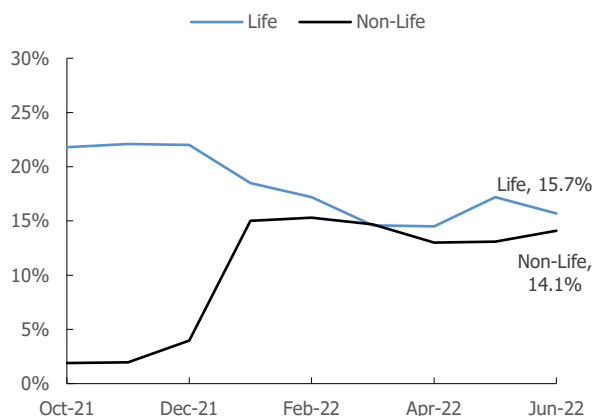
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Figure 1. Insurance premium, monthly



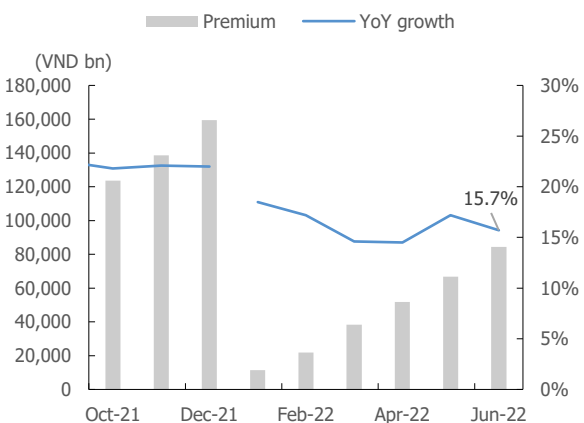
Source: Insurance Association of Viet Nam, Korea Investment & Securities

Figure 2. Insurance premium YOY growth



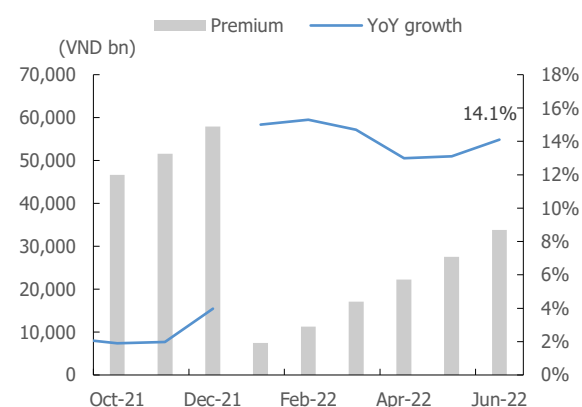
Source: Insurance Association of Viet Nam, Korea Investment & Securities

Figure 3. Life insurance premium, accumulated



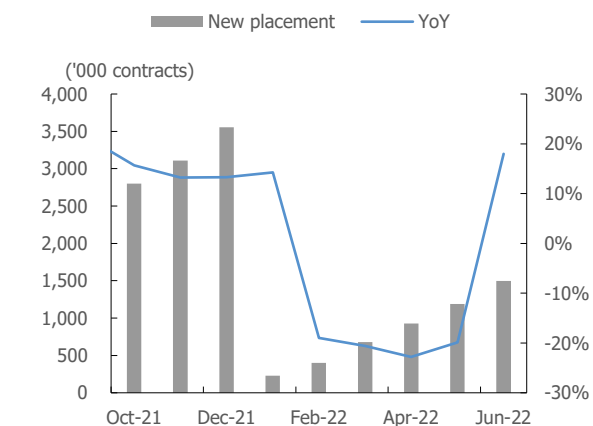
Source: Insurance Association of Viet Nam, Korea Investment & Securities
Note: Accumulated from the beginning of the year

Figure 4. Non-life insurance premium, accumulated



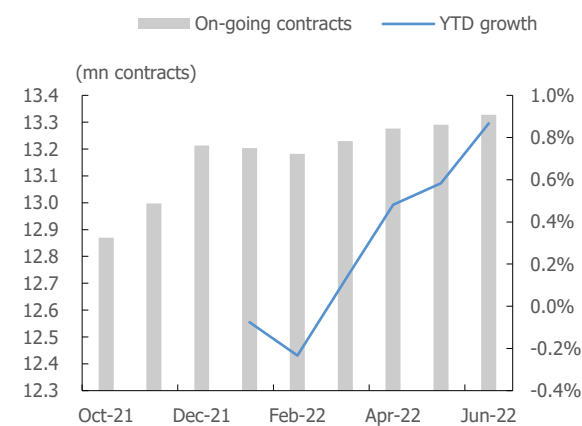
Source: Insurance Association of Viet Nam, Korea Investment & Securities
Note: Accumulated from the beginning of the year

Figure 5. New placement life contract, accumulated



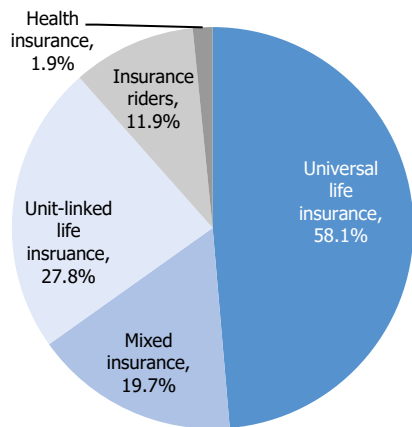
Source: Insurance Association of Viet Nam, Korea Investment & Securities

Figure 6. On-going life contracts,



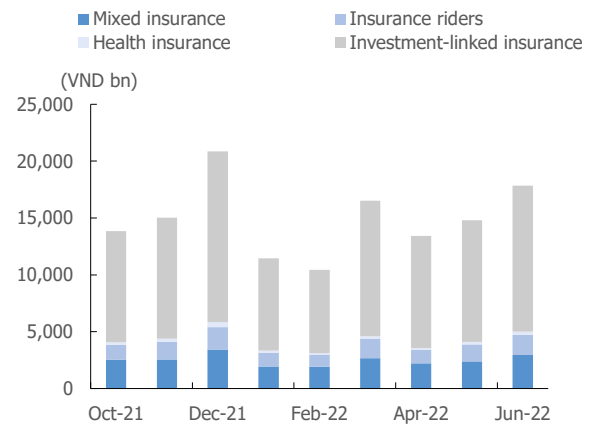
Source: Insurance Association of Viet Nam, Korea Investment & Securities

Figure 7. Life product structure according to premium in 6M22



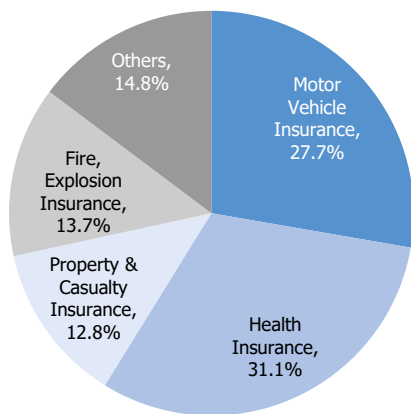
Source: Insurance Association of Viet Nam, Korea Investment & Securities

Figure 8. Life insurance premium, monthly



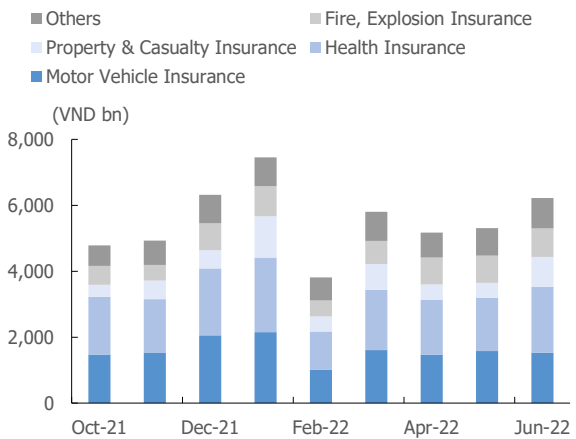
Source: Insurance Association of Viet Nam, Korea Investment & Securities

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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