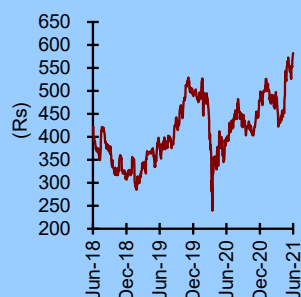


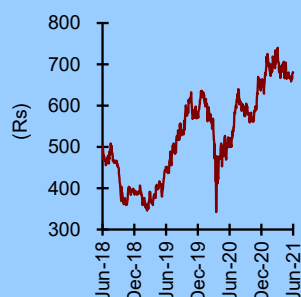
ICICI Securities Limited
is the author and
distributor of this report

Monthly update

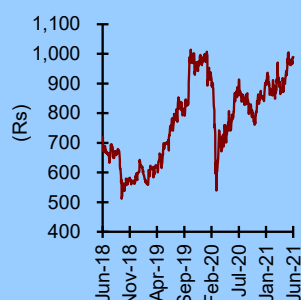
ICICI Pru-Life (BUY)



HDFC Life (BUY)



SBI Life (BUY)



Research Analysts:

Ansuman Deb

ansuman.deb@icicisecurities.com
+91 22 6637 7312

Ravin Kurwa

ravin.kurwa@icicisecurities.com
+91 22 2277 7653

Life Insurance

Life insurers better placed in Covid 2.0

Total private life insurer APE has grown by 26.7% in FY22TD led by Bajaj Allianz, HDFC Life, Max Life, IPRU Life and SBI Life. Tata AIA and LIC total APE declined by 2.4% and 28.5% respectively. SBI Life has been the leaders in Individual APE with FY22TD APE growth of 64%. While the growth percentage depend on the base, it can be concluded that private life insurers are significantly better placed to tackle the Covid 2.0 impact. In the short-term, the increase in mortality and morbidity rates induced by the pandemic is an area of concern (189k reported Covid deaths till date in FY22 compared to 162k in FY21). However, we have past the peak of second Covid wave and the companies have made extra Covid related provisions.

Table 1: Total and Individual APE performance of key insurers

	May'21 (Rs mn)	YoY		MoM	YTD
		May'21/ May'20	May'21 / May'19 (CAGR basis)	May'21 / Apr'21	FY22
HDFC Life					
Individual APE (weighted)	3,611	16.6%	-11.7%	-3.5%	46.9%
Total APE (weighted)	4,221	26.7%	-12.0%	-8.9%	55.0%
NOP	50,250	-23.1%	-18.4%	7.9%	-5.1%
Group share of Total APE (%)	14.4				
SBI Life					
Individual APE (weighted)	2,855	-5.6%	-28.5%	-25.3%	63.8%
Total APE (weighted)	3,208	-8.1%	-26.5%	-28.2%	38.0%
NOP	62,881	9.9%	-22.0%	-7.0%	72.3%
Group share of Total APE (%)	11.0				
ICICI Prudential					
Individual APE (reported)	2,450	27.7%	-22%	-4.3%	44%
Total APE (reported)	3,040	9%	-18%	-14.8%	41%
NOP	32,913	-14.6%	-22%	-8.4%	-0.7%
Group share of Total APE (%)	34.0				
Bajaj Allianz					
Individual APE (weighted)	1,274	31.9%	4.0%	-8.7%	57.6%
Total APE (weighted)	1,559	43.1%	0.2%	-25.1%	62.4%
NOP	19,281	-31.9%	-4.6%	1.0%	-11.1%
Group share of Total APE (%)	18.3				
Max Life					
Individual APE (weighted)	1,806	12.5%	-5%	-23.1%	55.8%
Total APE (weighted)	1,860	10.7%	-6%	-22.4%	48.5%
NOP	28,169	-27.8%	-13%	-5.6%	-9.00%
Group share of Total APE (%)	2.9		0%		
Tata AIA					
Individual APE (weighted)	1,464	-7.5%	-2%	2.0%	-1.1%
Total APE (weighted)	1,524	-7.9%	-1%	4.1%	-2.4%
NOP	22,563	-22.0%	-10%	2.5%	-24.0%
Group share of Total APE (%)	3.9				
Kotak Life					
Individual APE (weighted)	516	-31.5%	-15%	-24.6%	0.0%
Total APE (weighted)	761	-29.6%	-40%	-26.5%	2.4%
NOP	10,717	-42.9%	-16%	12.3%	-35.6%
Group share of Total APE (%)	32.2				
LIC					
Individual APE (weighted)	13,858	-22.2%	-13%	3.8%	6.8%
Total APE (weighted)	22,175	-43.5%	-36%	33.8%	-28.5%
NOP	5,51,823	-11.7%	-31%	-20.2%	53.5%
Group share of Total APE (%)	37.5				
Private Total					
Individual APE (weighted)	17,812	5.0%	-16%	-10.8%	37.4%
Total APE (weighted)	21,773	-4.9%	-15%	-11.4%	26.7%
NOP	3,06,760	-19.6%	-19%	0.9%	-0.3%
Group share of Total APE (%)	18.2				

Source: Life Insurance council

Chart 1: NBP grew 14% in May'21 for private players

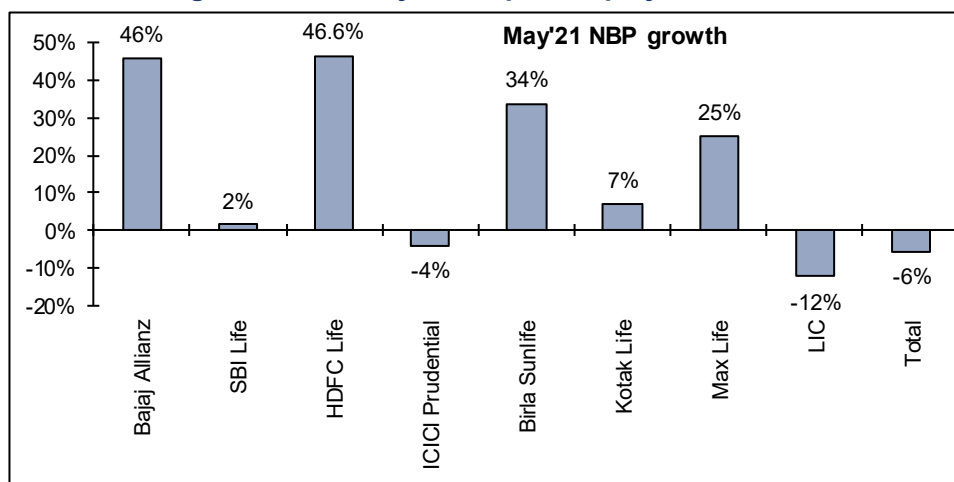


Table 2: Trend in monthly NBP growth

in %	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Bajaj Allianz	-46	-46	77	-5	-20	61	-37	64	8	50	121	35	46
SBI Life	-31	15	42	26	18	12	3	12	18	62	127	1	2
HDFC Life	-47	-1	41	45	55	53	-10.8	27.0	17	20	45	78.5	47
ICICI Prudential	-2	-37	-10	-14	30	6	1	32	18.2	-19	119	151	-4
Birla Sun life	-16	137	40	11	8	-14	-3	61	8	-13	48	-51	34
Kotak Life	-52	-2	-13	-25	36	-8	-43	-2	28	36	71	110	7
Max Life	-18	17	6	19	21	47	13	21	15	31	56	102	25
Total Private	-28	-1	26	14	20	24	-5	22	15	17	84	55	14
LIC	-24	-13	-1	15	30	36	-36	-15	-2	24	65	36	-12
Industry	-25	-10	7	15	26	32	-27	-3	4	21	71	45	-6

Chart 2: FY22TD total APE grew 27% for private players

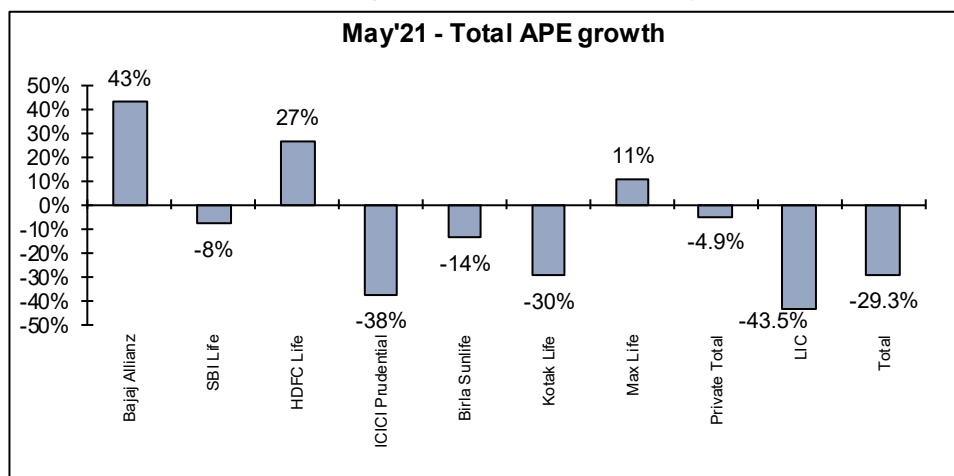
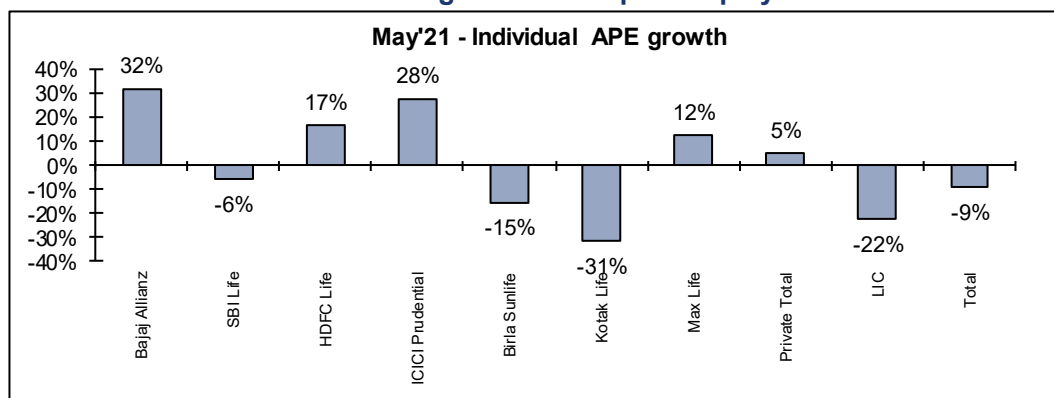


Table 3: Trend in total APE growth

Total APE, YoY growth (%)	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Bajaj Allianz	-30	-3	32	9	9	17	-13	44	28	42	107	81	43
SBI Life	-41	-3	-3	-6	0	15	-3	7	2	52	121	116	-8
HDFC Life	6	19	19	32	17	48	1	8	13	2	107	95	27
ICICI Prudential	-39	-8	12	17	42	38	10	6	21	18	65	79	-38
Birla Sun life	22	-43	-11	-36	24	-6	-15	21	-2	-39	111	-4	-14
Kotak Life	10	34	11	-2	27	11	-3	24	9	6	48	54	-30
Max Life	-48	7	-17	-36	52	-16	-61	-9	26	21	69	102	11
Private Total	-20	13	-3	12	15	46	7	17	12	28	60	79.8	-4.9
LIC	-23	-8	0	-8	13	16	-8	10	8	4	90	10.6	-43.5
Total	-27	-68	-48	7	-1	13	-63	-33	-39	6	96	96	-29.3

Source: Life insurance council

Chart 3: FY22TD individual APE grew 37% for private players



Source: Life Insurance council

Table 4: Trend in individual APE growth

In (%)	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Bajaj Allianz	-18	14	29	13	16	3	-5	41	32	43	104	92	32
SBI Life	-46	-5	-14	-14	-4	14	-6	7	1	53	119	263	-6
HDFC Life	3	18	18	34	25	37	-1	9	20	20	20	96	17
ICICI Prudential*	-33	-3	12	14	43	45	20	4	24	16	75	65	28
Birla Sunlife	-52	-44	-36	-29	-24	-22	-31	-24	-7	6	98	30	-15
Kotak Life	10	16	1	-6	36	21	-26	20	12	13	61	53	-31
Max Life	5	24	1	0	-6	-4	-23	-13	6	29	63	121	12
Private Total	-20	13	-2	11	16	49	8	18	15	32	56	90	5
LIC	-32	-7	-7	-6	4	14	-7	3	7	23	90	74	-22
Total	-3	8	10	2	5	6	-54	4	-45	9	196	83	-9

Source: IRDAI, *based on weighted calculation

Table 5: Trend in group share for private insurers

In (%)	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Bajaj Allianz	37	11	8	24	14	16	26	15	20	17	17	33	18
SBI Life	49	13	12	16	14	14	10	9	4	6	7	15	11
HDFC Life	20	7	9	17	19	17	16	15	13	12	19	19	14
ICICI Prudential*	16	68	18	37	16	49	34	30	44	21	42	22	34
Birla Sunlife	36	13	21	20	17	13	13	34	10	8	13	13	14
Kotak Life	33	30	41	41	38	58	45	32	47	41	36	34	32
Max Life	11	4	2	2	4	3	3	3	2	2	1	2	3
Private Total	23	26	15	20	14	21	17	17	16	12	18	19	18
LIC	49	55	50	37	36	43	35	39	30	25	33	19	38
Total	36	44	35	28	26	31	26	27	22	18	24	19	28

Source: IRDAI, *based on weighted calculation

Table 6: Growth in individual number of policies

In (%)	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21
Bajaj Allianz	34	103	50	27	37	31	6	31	14	25	74	29	-32
SBI Life	-45	-3	-1	-3	7	27	1	6	9	31	92	265	10
HDFC Life	-13	13	16	8	21	26	-3	-1	6	-1	50	27	-23
ICICI Prudential	-29	-14	-23	-18	-18	-5	-23	-22	-20	-11	57	17	-15
Birla Sunlife	9	9	-6	-12	-9	7	-23	-6	-4	-7	30	-1	-37
Kotak Life	24	22	12	7	-2	-4	-18	-21	10	9	66	-25	-43
Max Life	6	14	10	8	2	18	-15	1	2	6	34	21	-28
Private Total	-19	2	-2	-4	0	14	-12	-3	1	5	63	32	-20
LIC	-46	-17	-23	-24	-3	-12	-54	21	-37	96	299	275	-12
Total	-38	-12	-18	-19	-2	-7	-48	14	-32	64	213	140	-15

Source: Life Insurance council

ICICI Prudential Life Insurance Company Limited is a group company (Associate) of ICICI Securities Limited. However, the report and views are based on publicly available information."

In case of industry/sector reports or a report containing multiple stocks, the rating/recommendation for a particular stock may be based on the last released stock specific report for that company."

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)

BUY: >15 return; ADD: 5 to 15 return; HOLD: Negative 5 to Positive 5 return; REDUCE: Negative 5 to Negative 15 return; SELL: < negative 15 return

ANALYST CERTIFICATION

I/We, Ansuman Deb, MBA, BE; Ravin Kurwa, CA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is SEBI registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as an entity are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.