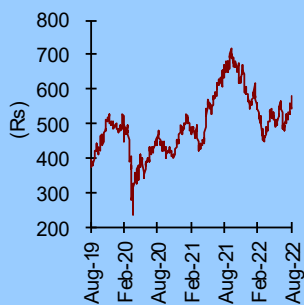


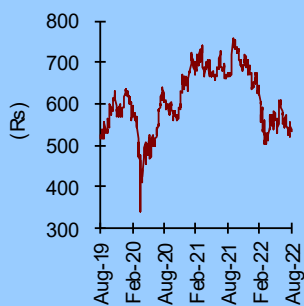
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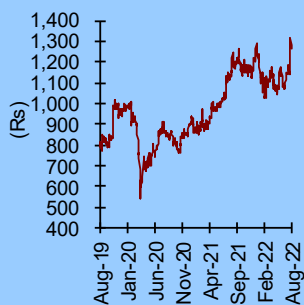
ICICI Pru-Life (BUY)



HDFC Life (BUY)



SBI Life (BUY)



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Life Insurance

Disparate volume growth and margin performance have been a unique trend in FY23-TD

Private life insurers reported 5.6% / 12% YoY growth in individual / total APE in Jul'22. Growth in individual/total APE in FY23-TD remains strong at 31.7 / 35.4% on a weak base. Life Insurance Corporation of India (LIC) maintained its business momentum with 58% / 46% YoY growth in total APE in Jul'22 / FY23-TD. We saw disparate growth and margin performance among life insurers in Q1FY23. Tata AIA and Bajaj Allianz lead the pack in terms of growth. Tata AIA also reported highest YoY growth in sum assured market share in FY23-TD. Overall VNB margin for players has mostly been boosted by higher non-par and lower ULIPs while retail protection remained muted in Q1FY23.

► Individual / Total APE grew 5.6% / 12% for private life insurers in Jul'22:

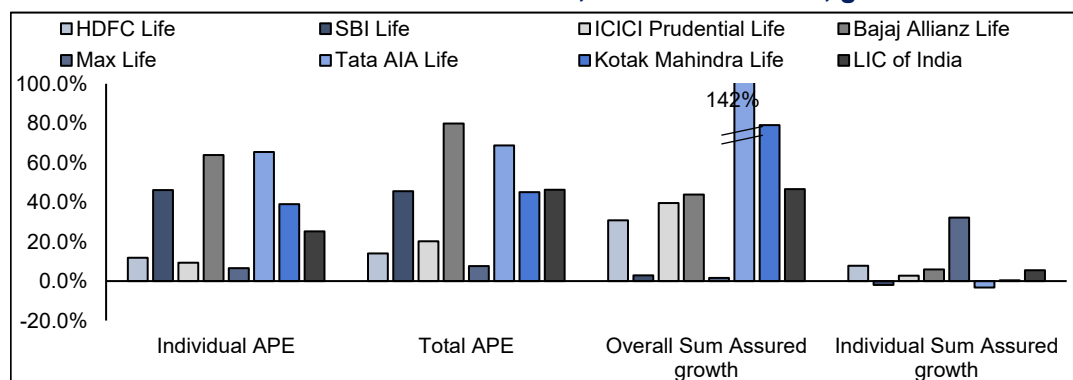
- In terms of total APE growth – BALIC (38% YoY), Tata AIA (37% YoY) and Kotak Life (14% YoY) were outperformers in Jul'22. IPRU Life reported growth of 10.5% YoY. HDFC Life (HDLI) / SBI Life (SBLI) / Max Life reported decline of 3.2% / 1.3% / 8% YoY in Jul'22. Decline in SBLI can be attributed to high base of Jul'21. SBLI's total APE in Jun'21/Jul'21 was Rs8bn/12bn (Rs12bn/11.5bn in Jun'22/Jul'22).
- Individual APE growth remains on similar trajectory – BALIC / Tata AIA / Kotak Life outperformed with 29% / 38% / 28% YoY growth while HDLI / SBLI / IPRU Life / Max reported decline of 3.3% / 4.7% / 5.6% / 8.7% in Jul'22.

► Overall sum assured grew 11% MoM while individual sum assured was up 4% MoM:

In terms of total sum assured, Tata AIA saw maximum improvement in its market share from 4.5% in FY22-TD to 9% in FY23-TD followed by Kotak Life from 3.1% to 4.5% and BALIC from 8.1% to 9.3% in the same period. HDLI / IPRU Life's total sum assured market share improved from 10.4% / 14.7% to 11.9% / 15.9% while the same for SBI Life / Max Life declined from 7% / 4.6% to 6.5% / 3.8% in the same period. In terms of individual sum assured, Tata AIA / SBI Life / BALIC saw highest improvement in their sum assured from 10.7% / 6.9% / 3.7% in FY22-TD to 19.8% / 7.8% / 4% in FY23-TD while HDLI / IPRU Life / Max witnessed decline from 13.9% / 12.7% / 11.7% to 8.7% / 8.3% / 9% in the same period.

► **LIC has posted a strong set of numbers driven by group business:** LIC reported 5.5% YoY growth in terms of individual APE, largely in line with private peers. However, in terms of total APE, growth came in at 57.5% YoY for LIC vs 12% YoY reported by private peers in Jul'22. Individual / Overall sum assured for LIC grew 620bps / 560bps to 30% / 18% in FY23-TD.

Chart 1: Summarised individual / total APE, and sum assured, growth in FY23-TD



Source: IRDAI

Table 1: Jun'22 performance overview of key life insurers

	Jul'22 (Rs mn)	Jul'22/Jul'21	Jul'22 / Jun'22	FY23
HDFC Life				
Individual APE (weighted)	6,712	-3.3%	10.9%	11.8%
Total APE (weighted)	7,933	-3.2%	7.6%	14.0%
NBP	19,309	-5.7%	3.0%	15.7%
NOP	66,291	-21.8%	2.0%	-8.8%
SBI Life				
Individual APE (weighted)	10,405	-4.7%	2.1%	46.1%
Total APE (weighted)	11,512	-1.3%	-3.3%	45.5%
NBP	23,243	29.1%	-17.8%	53.9%
NOP	1,61,903	-1.4%	-1.4%	36.8%
ICICI Prudential				
Individual APE (reported)	4,502	-5.6%	5.0%	9.3%
Total APE (reported)	8,774	10.5%	11.7%	20.2%
NBP	13,445	16.2%	24.5%	21.9%
NOP	45,440	-10.4%	-1.2%	-2.4%
Bajaj Allianz				
Individual APE (weighted)	3,225	29.3%	-6.3%	63.9%
Total APE (weighted)	4,273	38.2%	-4.9%	79.9%
NBP	8,964	40.7%	-28.8%	97.3%
NOP	41,724	15.1%	-7.1%	52.9%
Max Life				
Individual APE (weighted)	3,588	-8.7%	-12.1%	6.5%
Total APE (weighted)	3,674	-8.0%	-12.3%	7.6%
NBP	5,833	1.7%	-10.5%	14.0%
NOP	39,588	-17.7%	-17.4%	-3.73%
Tata AIA				
Individual APE (weighted)	4,320	38.2%	3.9%	65.4%
Total APE (weighted)	4,475	37.3%	2.7%	68.7%
NBP	5,160	37.0%	2.9%	73.9%
NOP	46,796	21.4%	-4.3%	44.2%
Kotak Life				
Individual APE (weighted)	1,524	28.2%	5.7%	39.0%
Total APE (weighted)	2,136	14.3%	-23.5%	45.1%
NBP	4,862	42.2%	-6.6%	61.4%
NOP	23,606	8.5%	-5.2%	27.8%
LIC				
Individual APE (weighted)	26,272	5.3%	-4.6%	25.2%
Total APE (weighted)	55,469	57.5%	19.4%	46.3%
NBP	2,91,167	142.0%	41.0%	62.32%
NOP	17,04,115	13.2%	11.8%	41.2%
Private Total				
Individual APE (weighted)	44,232	5.6%	2.1%	31.7%
Total APE (weighted)	55,897	12.0%	3.2%	35.4%
NBP	99,622	18.5%	-6.1%	38.8%
NOP	5,81,525	-2.5%	-3.9%	20.0%
Total				
Individual APE (weighted)	70,504	5.5%	-0.5%	29.1%
Total APE (weighted)	1,11,367	30.9%	10.7%	40.3%
NBP	3,90,789	91.2%	25.0%	54.1%
NOP	22,85,640	8.7%	7.3%	34.6%

Source: IRDAI

Table 2: Trend in monthly NBP growth

(%)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Bajaj Allianz	6%	42%	162%	-21%	89%	70%	35%	27%	29%	23%	342.1%	104.7%	40.7%
SBI Life	-6%	24%	31%	6%	154%	27%	4%	7%	11%	33%	135.5%	59.9%	29.1%
Tata AIA	42%	35%	30%	2%	60%	50%	46%	40%	32%	107%	156.8%	55.2%	37.0%
HDFC Life	4%	-6%	37%	11%	28%	56%	9%	10%	6%	23%	61.9%	11.2%	-5.7%
ICICI Prudential	36%	43%	21%	17%	27%	-6%	1%	-23%	2%	38%	87.0%	-14.5%	16.2%
Birla Sunlife	-16%	-14%	173%	31%	33%	6%	53%	24%	42%	54%	268.5%	15.8%	48.5%
Kotak Life	10%	64%	29%	69%	41%	-1%	3%	-11%	8%	32%	114.7%	79.0%	42.2%
Max Life	22%	16%	14%	11%	27%	32%	-17%	-5%	15%	3%	62.0%	8.7%	1.7%
Private Total	8%	21%	42%	12%	59%	30%	9%	5%	13%	27%	114.4%	29.2%	18.5%
LIC	-21%	-4%	12%	-13%	32%	-20%	-2%	35%	51%	141%	77.0%	-5.3%	142.0%
Total	-11%	3%	22%	-5%	42%	0%	3%	22%	37%	84%	88.6%	4.1%	91.2%

Source: Life Insurance Council

Table 3: Trend in total APE growth

Total APE, YoY growth (%)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Bajaj Allianz	30%	51%	85%	41%	75%	83%	34%	50%	34%	60%	219%	63%	38%
SBI Life	36%	55%	51%	28%	48%	20%	7%	5%	5%	75%	180%	44%	-1%
Tata AIA	42%	40%	37%	1%	69%	60%	38%	29%	26%	90%	150%	50%	37%
HDFC Life	16%	18%	27%	20%	7%	38%	5%	8%	9%	12%	59%	9%	-3%
ICICI Prudential*	21%	67%	4%	-2%	29%	-21%	8%	-25%	2%	55%	115%	-38%	19%
Birla Sunlife	5%	20%	79%	10%	-1%	24%	17%	21%	26%	60%	118%	10%	21%
Kotak Life	-4%	67%	27%	80%	30%	-13%	-10%	-20%	7%	38%	95%	61%	14%
Max Life	15%	8%	8%	3%	37%	38%	-23%	-15%	8%	-3%	73%	-1%	-8%
Private Total	25%	42%	32%	19%	34%	24%	9%	3%	11%	44%	125%	14%	12%
LIC	-14%	2%	11%	-3%	24%	-2%	8%	24%	53%	76%	78%	9%	58%
Total	5%	21%	23%	9%	30%	14%	8.6%	11%	30%	57%	101%	12%	31%

Source: Life Insurance Council, *based on weighted calculation

Table 4: Trend in individual APE growth

Individual APE growth (%)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Bajaj Allianz	39.1	53.0	63.4	61.3	71.2	71.4	36.0	30.6	39.3	81.3	133.4	52.1	29.3
SBI Life	51.7	67.3	56.3	33.2	30.2	19.0	8.0	0.3	3.6	89.2	193.6	41.9	-4.7
Tata AIA	40.3	36.9	38.5	3.0	60.4	59.1	43.2	25.2	22.9	85.5	131.3	50.8	38.2
HDFC Life	18.4	26.5	20.1	21.3	1.7	31.5	2.3	8.7	11.7	9.6	51.8	6.3	-3.3
ICICI Prudential*	25.3	34.3	41.0	23.2	13.0	10.8	-7.4	-6.8	1.1	32.2	36.2	-2.9	-5.6
Birla Sunlife	16.6	34.2	30.7	5.0	10.0	17.9	4.3	7.2	16.1	51.2	67.3	-3.2	10.0
Kotak Life	2.7	35.3	26.8	45.6	36.2	22.0	7.3	-2.5	20.8	18.9	106.4	31.5	28.2
Max Life	15.6	9.3	7.5	0.3	36.0	40.1	-23.3	-15.8	11.6	-4.6	73.3	-1.8	-8.7
Private Total	30.5	39.1	35.0	23.4	28.6	29.4	6.9	3.7	12.2	46.0	96.1	22.1	5.6
LIC	-4.2	-5.1	22.0	-1.9	21.7	6.2	6.8	8.0	11.5	27.8	65.1	21.2	5.3
Total	15.0	18.9	30.2	12.6	26.0	21.2	6.9	5.2	11.9	38.7	82.5	21.8	5.5

Source: Life Insurance Council, *based on weighted calculation

Table 5: Trend in group share for private insurers

Group Share of APE (%)	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Bajaj Allianz	19	12	26	15	17	25	15	27	14	24	40	23	25
SBI Life	6	7	11	6	20	4	5	11	9	8	7	14	10
Tata AIA	4	3	3	7	9	2	10	6	6	4	11	5	3
HDFC Life	15	13	22	15	19	17	14	18	14	21	18	18	15
ICICI Prudential	35	32	31	16	39	22	32	28	31	34	58	27	49
Birla Sunlife	11	7	37	17	27	15	18	23	17	17	34	19	19
Kotak Life	36	50	58	55	29	25	29	23	40	43	28	48	29
Max Life	2	3	4	5	4	1	2	2	2	4	3	3	2
Private Total	16	16	20	14	20	12	14	18	16	18	29	20	21
LIC	29	41	38	35	40	24	26	41	49	41	42	41	53
Total	21	27	27	23	29	16	19	28	33	28	35	30	37

Source: Life Insurance Council

Table 6: Growth in number of individual policies

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Bajaj Allianz	3.7	28.8	21.8	8.8	18.0	34.1	24.9	15.1	22.7	74.0	125.5	39.5	15.1
SBI Life	22.8	32.5	21.7	1.0	8.6	14.4	4.4	8.3	13.3	73.9	110.2	30.1	-1.4
Tata AIA	12.6	15.1	14.9	-8.4	53.7	59.5	38.9	21.1	11.7	67.3	83.6	30.4	21.4
HDFC Life	-3.9	2.8	-11.2	-11.4	-8.5	16.5	-14.2	-9.7	-7.5	-5.0	13.7	-11.8	-21.8
ICICI Prudential	-2.5	6.0	18.2	2.3	-1.3	2.1	-8.9	-13.4	-6.8	0.5	16.2	-8.8	-10.4
Birla Sunlife	-14.4	-1.3	-9.2	-26.0	-16.7	-1.5	-11.5	-11.2	-2.2	24.6	37.2	-12.3	-5.7
Kotak Life	-13.5	4.8	-11.3	15.8	8.9	20.5	3.9	0.3	13.2	35.6	82.0	16.9	8.5
Max Life	-13.0	-7.2	-3.0	-7.3	5.8	9.7	-17.2	-4.6	1.0	-4.5	29.4	-8.4	-17.7
Private Total	4.9	12.3	6.9	-3.0	5.6	13.3	-1.1	-0.4	3.8	34.0	63.7	12.2	-2.5
LIC	21.8	32.4	6.8	0.4	2.4	-6.1	-15.6	-9.2	4.9	31.9	125.7	43.2	13.2
Total	16.5	26.6	6.8	-0.5	3.2	-1.4	-12.6	-7.2	4.7	32.6	103.5	32.8	8.7

Source: Life Insurance Council

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