









Limra: indexed annuities see new sales record, Allianz comes on top

North America | Products

🕒 12 Mar 2024 by Summer Wang





The combined sales of fixed index annuities (FIAs) and registered index linked annuities (Rilas) have reached US\$143 billion in 2023.

In 2023, fixed index annuities (FIA) sales totalled US\$95.9 billion, up 20% from the prior year. In the fourth quarter, FIA sales were US\$24.9 billion, a 12% increase year-over-year (YoY), according to the US Individual Annuities Sales Survey released by Limra today (12 March).

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Rising interest rates helped increase demand for clients looking to protect their principal investment from equity market volatility while benefiting from higher crediting rates - *Bryan Hodgins*

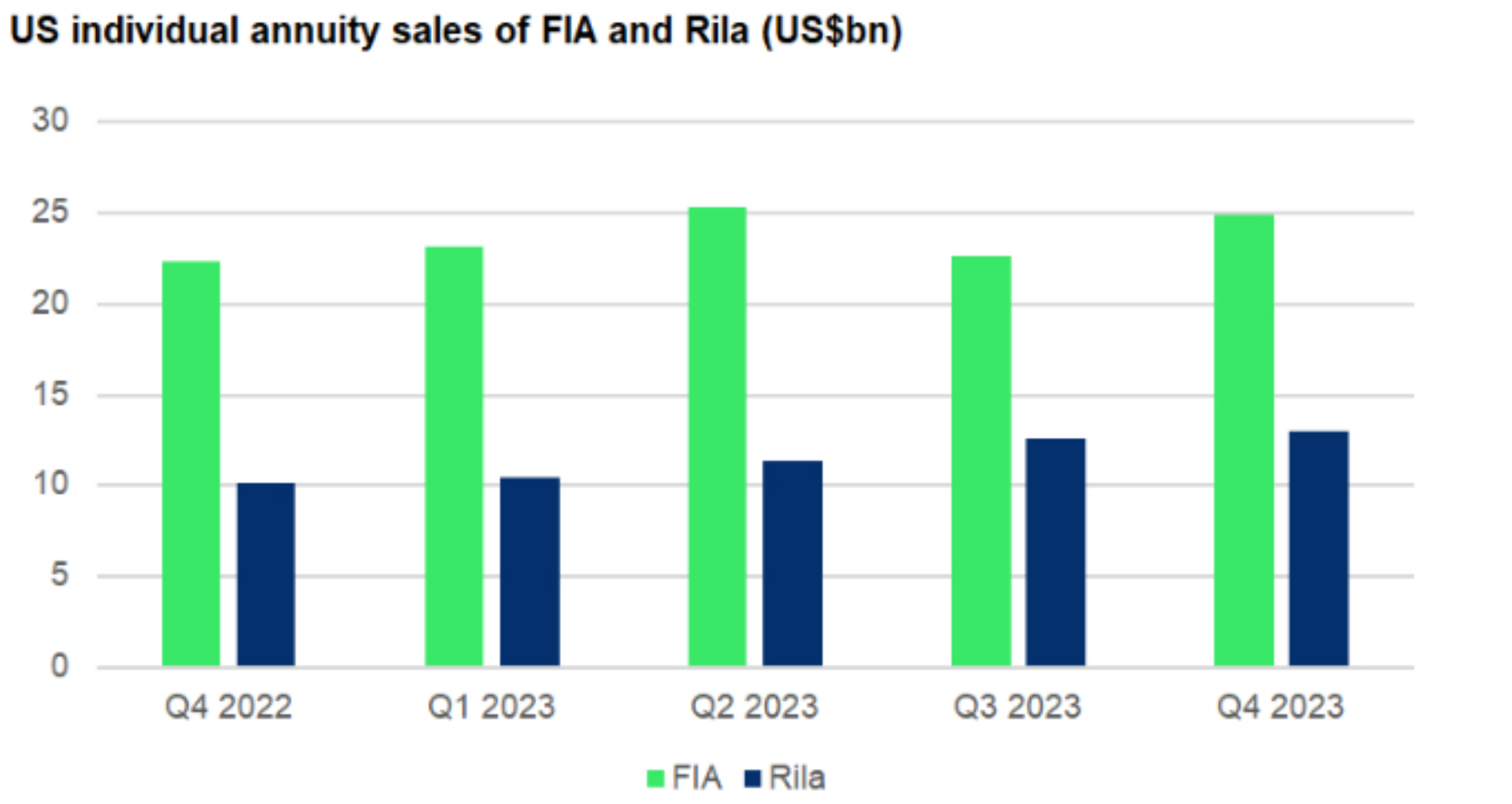
‘FIA sales by independent agents and independent broker-dealers increased 29% year-over-year and represented more than 74% of the total FIA sales. We continue to see a shift to independent distribution,’ said Bryan Hodgins (*pictured*), head of Limra research at the trade association.

‘Rising interest rates helped increase demand for clients looking to protect their principal investment from equity market volatility while benefiting from higher crediting rates.’

In the US, the primary distribution channels for FIAs include independent agents, banks, broker-dealers and captive agents which work exclusively for one insurance company.

Registered index-linked annuity (Rila) sales stood at US\$13 billion by the end of the fourth quarter, up 29% compared to the same period of 2022. This marks the first time Rila sales have surpassed traditional variable annuity sales, according to the survey.

For the full year, total Rila sales were up by 15% to US\$47.4 billion in 2023 YoY, a new all-time high.



Source: Limra's U.S. Individual Annuities Sales Survey

In addition, fixed-rate deferred annuities posted sales of US\$164.9 billion, followed by traditional variable annuities at US\$51.4 billion, single premium immediate annuities at US\$13.3 billion and deferred income annuities at US\$4.2 billion.

As a result, total US annuity sales reached a record annual high of US\$385.4 billion driven by FIAs, 23% higher year-on-year.

‘For the second consecutive year, annuity sales have surpassed previously held records, largely due to broader engagement with independent distribution. Rising interest rates have made annuities very attractive to a larger group of investors who are served by independent advisors and broker dealers,’ said Hodgins.

Independent agents’ and broker-dealers’ sales collectively grew 29% from 2022 and represented 41% of the 2023 sales, according to Limra.

Breakdown

In the FIA segment, Minneapolis-based Allianz Life of North America topped the table replacing Athene Annuity & Life on US\$11.1 billion, a 35.4% increase from 2022, making up 11.6% of the entire FIA value.

Athene took the second place on the back of US\$10.8 billion despite a discreet 3.8% increase YoY.

Next in line were Corebridge Financial and Sammons Financial Companies, which collected US\$8.9 billion and US\$7.5 billion, respectively, which represents a 32.7% and 35.1% growth, respectively.

Brookfield-backed American Equity Investment Life finished in fifth place climbing five spots in the ranking following a sales increase of 122.3% to US\$7 billion compared to 2022. Nationwide also lifted its sales by 49.6%, racking up US\$6 billion in 2023.

Fidelity & Guaranty Life and Massachusetts Mutual Life posted stable sales, falling behind amid the overall FIA market growth. Based in Des Moines, Iowa, Fidelity & Guaranty Life launched its first batch of Rila products linked to an index developed by BofA Securities.

US individual annuity FIA sales in 2023	
Company	Sales (US\$)
Allianz Life of North America	11,097,455
Athene Annuity & Life	10,755,333
Corebridge Financial	8,878,130
Sammons Financial Companies	7,520,593
American Equity Investment Life	7,033,740
Nationwide	5,961,600
Fidelity & Guaranty Life	4,699,905
Security Benefit Life	4,488,671
Massachusetts Mutual Life	3,750,896
Global Atlantic Financial Group	3,497,552
Other	12,152,012
Total	95,900,000

Source: Limra's U.S. Individual Annuities Sales Survey

For Rilas, NYSE-listed Equitable Financial kept took the lion’s share as the largest provider having raised US\$8.5 billion in sales in 2023 despite a one-third decline YoY.

Brighthouse Financial took over Allianz Life of North America as the runner-up by a narrow margin as its sales rose 17.4% to US\$6.9 billion sales – the latter delivered US\$6.8 billion, 15.5% higher than 2022.

US individual annuity Rila sales in 2023	
Company	Sales (US\$)
Equitable Financial	11,333,815
Brighthouse Financial	6,874,849
Allianz Life of North America	6,773,251
Prudential Annuities	4,872,465
Lincoln Financial Group	4,325,062
RiverSource Life Insurance	3,087,997
Jackson National Life	2,606,368
New York Life	2,400,140
TruStage	1,029,082
Nationwide	979,800
Other	20,104,441
Total	47,400,000

Source: Limra's U.S. Individual Annuities Sales Survey

Sales at Jackson National Life and New York Life went up 58.0% and 45% to US\$2.6 billion and US\$2.4 billion, respectively.

TruStage and Nationwide completed the top 10 league table with US\$1 billion and US\$979.9m sales, respectively.

CMFG Life Insurance Company and Massachusetts Mutual Life slipped out of the top 10 ranking in 2023.

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