

Annuities enjoy record sales in 1Q2024

By Editorial Staff Mon, Jun 3, 2024

'Total annuity sales have come down from fourth quarter 2024, largely due to a softening in the fixed-rate deferred annuity market. However, LIMRA expects annuity sales to perform well through 2024,' said Bryan Hodgens, head of LIMRA research.

U.S. annuity sales were \$106.7 billion in the first quarter of 2024, 13% above prior year results, according to results from LIMRA’s U.S. Individual Annuity Sales Survey. This is the highest first quarter sales results since LIMRA started tracking sales in the 1980s. The survey covers 92% of the total U.S. annuity market.

“Demand for investment protection and guaranteed retirement income remains strong. This is the 14th consecutive quarter of year-over-year growth in the U.S. annuity market,” said Bryan Hodgens, head of LIMRA research, in a press release.

“That said, total annuity sales have come down from fourth quarter 2024, largely due to a softening in the fixed-rate deferred annuity market. However, LIMRA expects annuity sales to perform well through 2024.”

U.S. Individual Annuity Sales
1st Quarter 2024 (\$ in thousands)

Rank	Company name	Total	Company name	Variable	Company name	Fixed
1	Athene Annuity & Life	9,727,522	Equitable Financial	5,284,483	Athene Annuity & Life	9,437,008
2	Corebridge Financial	6,343,053	Jackson National Life	3,418,627	Corebridge Financial	5,435,352
3	New York Life	5,614,271	Allianz Life of North America	2,209,751	New York Life	4,368,214
4	Nationwide	5,312,546	Brighthouse Financial	2,022,845	Global Atlantic Financial Group	4,180,551
5	Equitable Financial	5,284,483	Lincoln Financial Group	1,929,239	Nationwide	3,845,500
6	Allianz Life of North America	4,628,488	Prudential Annuities	1,768,972	Massachusetts Mutual Life	3,560,673
7	Global Atlantic Financial Group	4,253,671	TIAA	1,767,870	Sammons Financial Companies	3,033,786
8	Massachusetts Mutual Life	3,812,172	Nationwide	1,467,046	Delaware Life	2,918,862
9	Prudential Annuities	3,600,133	New York Life	1,246,057	Fidelity & Guaranty Life	2,762,546
10	Jackson National Life	3,522,524	RiverSource Life Insurance	1,159,872	Allianz Life of North America	2,418,737
11	Sammons Financial Companies	3,121,315	Corebridge Financial	907,700	American Equity Investment Life	2,347,842
12	Delaware Life	2,963,732	Pacific Life	815,899	USAA Life	2,016,267
13	Lincoln Financial Group	2,899,692	Transamerica	507,819	Symetra Financial	1,919,042
14	Brighthouse Financial	2,861,003	Fidelity Investments Life	455,057	Prudential Annuities	1,831,161
15	Fidelity & Guaranty Life	2,763,731	Thrivent Financial for Lutherans	336,613	EquiTrust Life	1,753,100
16	Pacific Life	2,533,622	Athene Annuity & Life	290,514	Pacific Life	1,717,722
17	American Equity Investment Life	2,347,842	TruStage	271,011	Protective Life	1,482,119
18	Symetra Financial	2,083,093	Protective Life	260,525	Reliance Standard Life Insurance	1,367,312
19	USAA Life	2,016,267	Massachusetts Mutual Life	251,500	Western Southern Group	1,346,778
20	TIAA	1,822,680	Principal Financial Group	217,330	Security Benefit Life	1,207,899
	Top 20	\$77,511,839	Top 20	\$26,588,730	Top 20	\$58,950,469
	Total industry	\$106,665,000	Total industry	\$28,200,000	Total industry	\$78,465,000
	Top 20 share	73%	Top 20 share	94%	Top 20 share	75%

Source: LIMRA U.S. Individual Annuities Sales Survey

Fixed-Rate Deferred

Total fixed-rate deferred annuity (FRD) sales were \$43 billion in the first quarter, 4% higher than first quarter 2023 sales. This is the ninth consecutive quarter of growth for FRD annuity sales. FRD annuities remain the primary driver of annuity sales growth, representing more than 40% of the total annuity market in the first quarter.

Fixed indexed annuities

Fixed indexed annuity (FIA) sales had a record first quarter. FIA sales totaled \$28.6 billion, up 24% from the prior year. FIA sales have experienced 12 consecutive quarters of year-over-year growth.

“Growth was widespread with 61% of FIA carriers and 8 of the top 10 carriers reporting sales growth,” the release said. “Sustained strong interest rates have allowed carriers to improve FIA crediting rates and raise cap rates, which increased the overall product line attractiveness. LIMRA expects FIA sales to continue to grow through 2025.”

Income annuities

Income annuity product sales continue to thrive under the higher interest rates. Single premium immediate annuity (SPIA) sales were \$3.6 billion in the first quarter, 6% higher than the prior year’s results. Deferred income annuity (DIA) sales were \$1.2 billion in the first quarter, increasing 40% year over year.

Registered index-linked annuities

For the fourth consecutive quarter, registered index-linked annuity (RILA) registered record quarterly sales. RILA sales increased 39% in the first quarter to \$14.5 billion.

“For the second consecutive quarter, RILA sales outperformed traditional variable annuities (VAs). RILA sales should continue to outpace traditional VA sales throughout 2024. LIMRA is forecasting RILA sales to surpass \$50 billion in 2024,” the release said.

Traditional variable annuities

Traditional VA sales improved in the first quarter, up 7% year over year to \$13.7 billion.

“While traditional variable annuity sales grew in the first quarter, sales remain historically low,” said the release. “Today’s investors have more annuity options to achieve their accumulation goals than they did a decade ago.”