

Deferred annuity sales reach \$243 billion in 2021: Wink

By Editorial Staff Thu, Mar 17, 2022

The top selling annuity issuers by category were Jackson National (variable), Athene (indexed), Allianz Life (structured), and Global Atlantic (fixed-rate). Jackson and MassMutual were the top sellers of variable and fixed annuities, respectively. (Right: Wink CEO Sheryl Moore.)



Total fourth quarter sales for all deferred annuities were \$60.9 billion, up 1.7% from the previous quarter and an increase of 8.1% when compared to the same period last year, according to Wink's Sales & Market Report for 4th Quarter 2021.

Total 2021 sales all deferred annuity sales were \$243.6 billion, up from \$209.1 billion in 2020. All deferred annuities include the variable annuity, structured annuity, indexed annuity, traditional fixed annuity, and MYGA product lines.

Total sales for fixed or variable index-linked annuities in 2021 was \$103.6 billion, or about 40% of all deferred annuity sales. Fixed indexed annuity (FIA) sales accounted for \$65.5 billion. Sales of structured annuity (aka RILAs, or registered index-linked annuities) accounted for \$38.1 billion. Traditional variable annuity (VA) sales were \$87.7 billion.

[Note: Structured annuities can be thought of as variable annuities or as indexed annuities. They are registered and SEC-regulated, like variable annuities. But, like FIAs, they are general account products, not separate account products.]

Sixty-three indexed annuity providers, 46 fixed annuity providers, 69 multi-year guaranteed annuity (MYGA) providers, 15 structured annuity providers, and 45 variable annuity providers participated in the 98th quarterly edition of the report.

Jackson National Life was the leading seller of deferred annuities with a market share of 8.1%. Equitable Financial moved into second place, followed by Massachusetts Mutual Life Companies, Allianz Life, and AIG. Jackson National's Perspective II Flexible Premium Variable and Fixed Deferred Annuity, a variable annuity, was the top selling contract for the twelfth consecutive quarter.

Total fourth quarter non-variable deferred annuity sales were \$28.6 billion; down more than 1.9% from the previous quarter and down more than 0.4% from the same period last year. Total 2021 non-variable deferred annuity sales were \$117.7 billion. Non-variable deferred annuities include the indexed annuity, traditional fixed annuity, and MYGA product lines.

Massachusetts Mutual Life Companies ranked as the top seller of non-variable deferred annuity sales, with a market share of 12.3%, followed by Athene USA, AIG, Allianz Life, and Global Atlantic Financial Group. MassMutual's Stable Voyage 3-Year, a MYGA, was the top-selling non-variable deferred annuity, for all channels combined.

Total fourth quarter variable deferred annuity sales were \$32.2 billion, up 5.2% from the previous quarter and up 17.2% from the same period last year. Total 2021 variable deferred annuity sales were \$125.9 billion. Variable deferred annuities include the structured annuity and variable annuity product lines.

Jackson National Life ranked as the top seller of variable deferred annuity sales, with a market share of 15.2%, followed by Equitable Financial, Lincoln National Life, Allianz Life, and Brighthouse Financial. Jackson National's Perspective II Flexible Premium Variable & Fixed Deferred Annuity, a variable annuity, was the top selling contract.

Indexed annuity sales for the fourth quarter were \$16.9 billion; down 2.3% from the previous quarter, and up 12.3% from the same period last year. Total 2021 indexed annuity sales were \$65.5 billion. Indexed annuities have a floor of no less than zero percent and limited excess interest that is determined by the performance of an external index, such as Standard and Poor's 500.

Athene USA ranked as the top seller of indexed annuities, with a market share of 14.1%, followed by Allianz Life, AIG, Sammons Financial Companies, and Fidelity & Guaranty Life. The Allianz Benefit Control Annuity was the top-selling indexed annuity, for all channels combined for the fifth consecutive quarter.

"Indexed annuity sales are down, but don't count them out. With the markets steadily rising and fixed interest rates so depressed, I anticipate that sales of this line will bounce back by the second quarter of the new year," said Sheryl Moore, CEO of Wink, Inc., and Moore Market Intelligence.

Traditional fixed annuity sales in the fourth quarter were \$486.9 million. Sales were up 34.9% from the previous quarter, and up about 2.6 % from the same period last year. Total 2021 traditional fixed annuity sales were \$1.7 billion. Traditional fixed annuities have a

fixed rate that is guaranteed for one year only.

Global Atlantic Financial Group ranked as the top seller of fixed annuities, with a market share of 20.6%, followed by Modern Woodmen of America, American National, EquiTrust, and Brighthouse Financial. Forethought Life's ForeCare Fixed Annuity was the top-selling fixed annuity, for all channels combined, for the sixth consecutive quarter.

Multi-year guaranteed annuity (MYGA) sales in the fourth quarter were \$11.2 billion; down 2.5% from the previous quarter, and down 15.1% from the same period last year. Total 2021 MYGA sales were \$50.4 billion. MYGAs have a fixed rate that is guaranteed for more than one year.

MassMutual ranked as the top carrier, with a market share of 23.3%, followed by New York Life, AIG, Pacific Life Companies, and Western-Southern Life Assurance Company. MassMutual's Stable Voyage 3-Year was the top-selling multi-year guaranteed annuity for all channels combined for the third consecutive quarter.

Structured annuity sales in the fourth quarter were \$10.1 billion; up more than 10.9% from the previous quarter, and up 20.2% from the previous year. Total 2021 structured annuity sales were \$38.1 billion. Structured annuities have a limited negative floor and limited excess interest that is determined by the performance of an external index or subaccounts.

Allianz Life ranked as the top seller of structured annuity sales, with a market share of 20.7%, followed by Equitable Financial, Brighthouse Financial, Prudential, and Lincoln National Life. Pruco Life's Prudential FlexGuard Indexed VA was the top-selling structured annuity for all channels combined, for the second consecutive quarter.

"This was both a record-setting quarter and a record-setting year for structured annuity sales," said Moore. "The 2021 sales topped the prior year's record by nearly 59%! And soon, more companies will enter this growing market."

Variable annuity sales in the fourth quarter were \$22.1 billion, up 2.8% from the previous quarter and up 15.9% from the same period last year. Total 2021 variable annuity sales were \$87.7 billion. Variable annuities have no floor, and potential for gains/losses that are determined by the performance of the subaccounts that may be invested in an external index, stocks, bonds, commodities, or other investments.

Jackson National Life was the top seller of variable annuities, with a market share of 21.7%, followed by Equitable Financial, Nationwide, Lincoln National Life, and Pacific Life

Companies. Jackson National's Perspective II was the top-selling variable annuity for the twelfth consecutive quarter, for all channels combined.

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