

## For annuities, 2019 was great. 2020 is TBD

By Editorial Staff Thu, Mar 19, 2020

*Sales of annuities were stellar in calendar 2019--except in 4Q, as WinkIntel and Secure Retirement Institute report. With interest rates ultra-low and investor anxiety high, 2020 sales could go either way.*

Total fourth quarter sales for all deferred annuity sales were \$53.3 billion, a decline of 3.3% from the previous quarter. Total 2019 deferred annuity sales were \$221.8 billion, according to the 90th edition of *Wink's Sales & Market Report* for 4th quarter, 2019.

Sixty-two indexed annuity providers, 50 fixed annuity providers, 68 multi-year guaranteed annuity (MYGA) providers, 11 structured annuity providers, and 47 variable annuity providers participated.

### Overall sales leaders

Jackson National Life ranked as the top carrier overall for deferred annuity sales, with a market share of 9.8%. Its Perspective II Flexible Premium Variable & Fixed Deferred Annuity, a variable annuity, was the top-selling deferred annuity, for all channels combined in overall sales for the fourth consecutive quarter. Lincoln National Life, AIG, Equitable Financial, and Allianz Life followed.

**U.S. Individual Annuity Sales**  
2019 (\$ in thousands)

Rank	Company name	Total	Company name	Variable	Company name	Fixed
1	Jackson	19,626,719	Jackson	14,693,766	AIG Companies	13,264,328
2	AIG Companies	19,419,511	Equitable Financial	11,697,921	New York Life	9,863,105
3	Lincoln Financial Group	14,837,778	TIAA	9,858,000	Allianz Life of North America	8,368,418
4	New York Life	13,239,522	Lincoln Financial Group	9,752,988	Global Atlantic Financial Group	8,292,011
5	Allianz Life of North America	12,369,631	Prudential Annuities	8,523,711	Athene Annuity & Life	6,766,852
6	Equitable Financial	11,734,276	AIG Companies	6,155,183	Pacific Life	6,194,836
7	Nationwide	10,809,100	BrightHouse Financial	5,767,867	Nationwide	6,114,900
8	Prudential Annuities	10,477,707	Nationwide	4,694,200	Lincoln Financial Group	5,064,791
9	TIAA	9,858,000	RiverSource Life Insurance	4,086,723	Massachusetts Mutual Life	5,079,675
10	Pacific Life	9,511,941	Allianz Life of North America	4,001,212	American Equity Investment Life	4,963,206
11	Global Atlantic Financial Group	8,397,573	Transamerica	3,633,533	Jackson National Life	4,932,953
12	Athene Annuity & Life	6,782,132	New York Life	3,376,417	Great American	4,545,638
13	BrightHouse Financial	6,157,641	Pacific Life	3,317,105	Fidelity & Guaranty Life	3,595,367
14	Massachusetts Mutual Life	5,544,547	Thrivent Financial for Lutherans	2,291,067	Symetra Financial	3,497,556
15	American Equity Investment Life	4,963,206	Fidelity Investments Life	1,545,727	Principal Financial Group	2,890,424
16	Great American	4,649,120	Northwestern Mutual Life	1,045,025	Western Southern Group	2,838,241
17	RiverSource Life Insurance	4,435,381	CMFG Life Insurance Company	998,448	Security Benefit Life	2,540,018
18	Transamerica	4,196,306	Principal Financial Group	568,663	Delaware Life	2,405,953
19	Symetra Financial	3,622,527	Massachusetts Mutual Life	464,872	Midland National	2,257,659
20	Fidelity & Guaranty Life	3,595,367	Securian Financial	364,198	North American Company for Life and Health	2,216,537
	<b>Top 20</b>	<b>\$184,227,984</b>		<b>\$96,836,625</b>		<b>\$105,712,466</b>
	<b>Total industry</b>	<b>\$241,727,000</b>		<b>\$101,900,000</b>		<b>\$139,827,000</b>
	<b>Top 20 share</b>	<b>76%</b>		<b>95%</b>		<b>76%</b>

Source: Secure Retirement Institute® U.S. Individual Annuities Sales Survey

from Secure Retirement Institute.

### **All fixed annuities**

Total fourth quarter non-variable deferred annuity sales were \$26.9 billion, down 7.6% from the previous quarter and down 17.8% from the same period last year. Total 2019 non-variable deferred annuity sales were \$122.8 billion. Non-variable deferred annuities include indexed annuities, traditional fixed annuities, and MYGA products.

AIG ranked as the top carrier overall for non-variable deferred annuity sales, with a market share of 8.5%. Allianz Life, Jackson National, Global Atlantic Financial Group and Nationwide followed. Allianz Life's Allianz 222 Annuity, an indexed annuity, was the top-selling non-variable deferred annuity, for all channels combined, in overall sales for the fifteenth consecutive quarter.

### **All variable products (structured and conventional)**

Total fourth quarter variable deferred annuity sales were \$26.3 billion, up 1.3% from the previous quarter. Total 2019 variable deferred annuity sales were \$99.0 billion. Variable deferred annuities include the structured annuity and variable annuity product lines.

"A steadily-rising market and continued rate reductions for fixed annuities lent to increased sales of structured and variable annuities this quarter," said Sheryl J. Moore, president and CEO of Moore Market Intelligence and Wink, Inc.

Jackson National Life ranked as the top seller overall of variable deferred annuities, with a market share of 13.9%. Equitable Financial, Lincoln National Life, Prudential and Brighthouse Financial followed.

### **Conventional variable**

Variable annuity sales in the fourth quarter were \$21.4 billion, an increase of 1.0% as compared to the previous quarter. Total 2019 variable annuity sales were \$81.6 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 held its ranking as the top seller of variable annuities, with a market share of 17.2%. Lincoln National, Prudential, Equitable Financial, and Nationwide followed. Jackson National's Perspective II Flexible Premium Variable & Fixed Deferred Annuity was the top-selling variable annuity for the fourth consecutive quarter, for all channels combined.

**Structured variable (Registered index-linked annuities)**

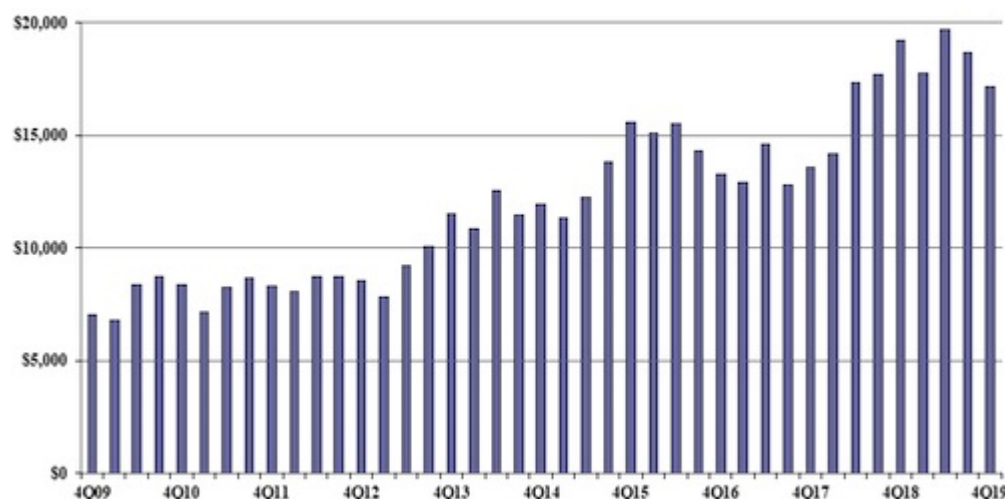
Structured annuity sales in the fourth quarter were \$4.9 billion; up 2.7% from the previous quarter, and up 39.3% from the previous year. Total 2019 structured annuity sales were \$17.3 billion. Structured annuities have a limited negative floor and limited excess interest that is determined by the performance of an external index or subaccounts. “Structured annuity sales are still setting records. It will be interesting to see how low fixed interest rates, coupled with market volatility, will affect this immature product line, in terms of sales,” Moore said.

Equitable Financial (formerly AXA) was the top seller of structured annuities, with a market share of 28.9%. Its Structured Capital Strategies Plus was the best-selling structured annuity for the quarter, for all channels combined.

**Fixed indexed**

Indexed annuity sales for the fourth quarter were \$17.1 billion, down 8.1% from the previous quarter, and down 10.6% from the same period last year. Total 2019 indexed annuity sales were \$73.2 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.

**Indexed Annuity Sales By Quarter**  
 (in millions)



FIA sales by Qtr, from WinkIntel

“This was another record year for indexed annuity sales,” Moore said in a release. “Given

the recent volatility in the markets, coupled with even lower fixed interest rates, I suggest we are going to have a repeat in 2020.”

Allianz Life retained its top ranking in indexed annuities, with a market share of 9.8%. AIG, Nationwide, Jackson National Life, and Athene USA followed. Allianz Life’s Allianz 222 Annuity was the top-selling indexed annuity, for all channels combined, for the twenty-second consecutive quarter.

#### **Traditional fixed**

Traditional fixed annuity sales in the fourth quarter were \$764.7 million, down 2.6% from the previous quarter, and down 26.5% when compared with the same period last year. Total 2019 fixed annuity sales were \$3.6 billion. Traditional fixed annuities have a fixed rate that is guaranteed for one year only.

Great American Insurance Group ranked as the top seller in fixed annuities, with a market share of 10.9%. Modern Woodmen of America, Global Atlantic Financial Group, Jackson National Life, and OneAmerica followed. Forethought Life ForeCare Fixed Annuity was the top-selling fixed annuity for the third consecutive quarter, for all channels combined.

#### **MYGA**

Multi-year guaranteed annuity (MYGA) sales in the fourth quarter were \$9.0 billion, down 7.0% from the previous quarter and down 28.0% from the same period last year. Total 2019 MYGA sales were \$45.8 billion. MYGAs have a fixed rate that is guaranteed for more than one year.

Massachusetts Mutual Life Companies ranked as the top carrier, with a market share of 13.2%. New York Life, Symetra Financial, AIG, and Global Atlantic Financial Group followed. Massachusetts Mutual Life’s Stable Voyage 3-Year was the top-selling multi-year guaranteed annuity for the quarter, for all channels combined.

#### **Report from Secure Retirement Institute**

Total annuity sales reached a 12-year high in 2019, surpassing 2018 sales by three percent to reach \$241.7 billion. The top three issuers held a combined 22% market share, down from 25% in 2014, the Secure Retirement Institute reported this week.

**U.S. Annuity 4Q and Year End Sales Estimates**

Variable	Q4 2018	Q4 2019	Q4 2019 / Q4 2018	YE 2018	YE 2019	YE 2019 / YE 2018
VA Deferred (no RILAs)	21.3	21.9	3%	89.0	84.5	-5%
RILA	3.5	4.9	39%	11.2	17.4	55%
<b>Total Variable</b>	<b>24.8</b>	<b>26.8</b>	<b>8%</b>	<b>100.2</b>	<b>101.9</b>	<b>2%</b>
<b>Fixed</b>						
<b>Fixed-rate deferred</b>	13.3	9.4	-29%	45.7	47.5	4%
Book value	9.9	6.4	-35%	30.9	31.3	1%
MVA	3.4	3.0	-12%	14.8	16.2	9%
<b>Indexed</b>	19.5	16.9	-13%	69.6	73.5	6%
Deferred income	0.66	0.53	-20%	2.3	2.5	8%
Fixed immediate	2.7	2.1	-22%	9.7	9.9	2%
Structured settlements	1.6	1.9	16%	6.2	6.5	4%
<b>Total Fixed</b>	<b>37.8</b>	<b>30.8</b>	<b>-18%</b>	<b>133.5</b>	<b>139.8</b>	<b>5%</b>
<b>Total U.S. Annuities</b>	<b>62.6</b>	<b>57.6</b>	<b>-8%</b>	<b>233.7</b>	<b>241.7</b>	<b>3%</b>

Industry estimates reported for the second quarter 2019 based upon data from 59 companies, representing 94 percent of total sales. 4%

Source: Secure Retirement Institute, U.S. Individual Annuity Sales Survey, Third Quarter 2019  
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from Secure Retirement Institute.

Total variable annuity (VA) sales were \$101.9 billion in 2019, up 2% from 2018. VA sales grew for the second year in a row. Jackson led the sales in the VA market in 2019 for the seventh straight year. The top three VA sellers represented 36% of the total VA market in 2019, up slightly from 35% in 2014.

Registered index-linked annuities (RILAs) drove the growth in the VA market. In 2019, RILA sales were \$17.4 billion, up 55% from 2018. RILA sales held a 17% share of the total VA market. Equitable Financial was the top seller of RILAs in 2019, with 29% of sales.

Fixed annuity sales set a new sales record in 2019. Total fixed sales were \$139.8 billion in 2019, up 5% from prior year. AIG was the top seller of total fixed annuities for the second consecutive year. The top three fixed annuity manufacturers represent 23% of the U.S. fixed annuity market, down from 28% from 2014.

For the second year in a row, fixed indexed annuities (FIAs) broke annual sales records. FIA sales were \$73.5 billion in 2019, up 6% from 2018. For the 11th consecutive year, Allianz Life gathered the most FIA premium in the U.S. In 2019, the top three FIA sellers represented 28% of the market, down from 43% in 2014.

“In 2019, Jackson focused on growing its fixed annuity market share, which propelled its overall growth in 2019,” said Todd Giesing, SRI senior annuity research director. “Its FIA sales jumped 1,293% in 2019, while its fixed-rate deferred annuity sales climbed 169%.”

SRI's U.S. annuity sales survey represents 94% of the U.S. annuity market.

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