
Jackson National, New York Life, lead annuity sellers: LIMRA

By Editor Test *Wed, Aug 21, 2013*

YTD, sales of deferred income annuities grew 151% to nearly \$1 billion, versus the first half of 2012. DIA sales are on pace to reach \$2 billion by the end of this year — doubling the prior year's results.

Total annuity sales rose nine percent, to \$56.5 billion, in the second quarter of 2013 compared to the previous quarter, but were one percent below the same quarter in 2012, according to LIMRA's quarterly U.S. Individual Annuities Sales survey, which covers 95% of the market. See [Annuity Industry Estimates](#).

In the first six months of 2013, total annuity sales were down four percent, to \$108.2 billion, from mid-year 2012. Jackson National Life, with \$11.68 billion in sales of variable (\$10.28 billion) and fixed annuities (\$1.4 billion) in the first half of this year, was far ahead of runner-up Lincoln Financial, with \$8.29 billion. See [Company Rankings](#).

Still enjoying their somewhat surprising run, quarterly deferred income annuities (DIA) sales surpassed \$0.5 billion for the first time, reaching \$535 million in the second quarter of 2013, 15% higher than in the second quarter of 2012. YTD, DIA sales grew 151% to nearly \$1 billion. DIA sales are on pace to reach \$2 billion by the end of the year — doubling 2012 results.

In fixed annuities, the top five fixed sellers were New York Life (\$2.67 billion), Security Benefit Life (\$2.54 billion), Allianz Life (\$2.43 billion), American Equity Investment Life (\$2.07 billion) and AIG (\$1.69 billion).

Quarterly indexed annuity sales topped \$9 billion for the first time. Second quarter sales were up five percent compared to last year. YTD, indexed annuities improved one percent, to \$16.8 billion. Bank market share of indexed annuities was 12% in the second quarter; triple its market share in 2008. Guaranteed lifetime withdraw benefit (GLWB) riders continue to help propel indexed annuity sales. Indexed GLB rider election rates also hit an all-time high of 76% in the second quarter of 2013.

“Observing the economic improvements, including interest rate increases, we believe variable annuity sales have stabilized while fixed annuity sales will continue to improve for the remainder of the year,” said Joseph Montminy, assistant vice president, LIMRA Annuity Research, in a release.

Variable annuity (VA) sales were one percent lower in the second quarter of 2013 compared with the second quarter of 2012, totaling \$38.2 billion. However, VA sales rebounded from the prior quarter, up eight percent. Year-to-date (YTD), VA sales totaled \$73.7 billion, a three percent decline from 2012. Election rates for VA GLB riders slipped two percentage points to 82% in the second quarter. GLBs were offered in 89% of VAs in the second quarter.

Single premium immediate annuity (SPIA) sales were flat in the second quarter of 2013 compared to one year ago, at \$1.9 billion, but were 12% higher than in the first quarter of the year. In the first six months of 2013, SPIA sales totaled \$3.6 billion, three percent lower than in 2012.

Total fixed annuity sales, including indexed, book value, market value-adjusted (MVA), deferred income, fixed immediate and structured settlements, totaled \$18.3 billion in the second quarter, down one percent compared with the prior year. Fixed-rate deferred annuity sales, which include book value and MVA, declined 15% in the second quarter to \$5.5 billion.

YTD, fixed deferred sales are down 20% from a year ago, at \$10.7 billion. Book-value sales were down 19% in the second quarter, compared with prior year, to reach \$4.3 billion. MVA sales in the second quarter 2013 were \$1.2 billion, equaling sales from prior year.

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