

With 14.5% market share, Allianz Life led FIA sellers in 2015

By Editorial Staff *Thu, Mar 17, 2016*

LIMRA Secure Retirement Institute and Wink Inc. offer differing views on the way indexed annuity sales will be affected by the impending DOL fiduciary rule.

Expecting the final version of the DOL conflict of interest rule to allow sellers of indexed annuities to avoid signing a Best Interest Contract with IRA clients, LIMRA Secure Retirement Income Institute assistant research director Todd Giesing said this week that he expects indexed annuities to do well again in 2016.

“We expect indexed annuity products will retain their current exemption status under the proposed DOL fiduciary rule, and that more companies will enter or increase their focus on this market. As a result, indexed annuity sales will see double-digit growth in 2016.” said Giesing.

A number of companies that have traditionally been strong in the variable annuity market are now increasing their attention on the indexed annuity market, the LIMRA release said.

But indexed annuity expert Sheryl Moore, CEO of Wink, Inc., told RIJ this week, “I believe that the DOL’s rule would negatively impact indexed annuity sales, at least initially. After all, 65% of [FIA] sales involve qualified funds. It would take some time for companies, marketers and salespeople to adjust to the ‘new normal,’ and whether that favors fee-based products, commission disclosure, or more.”

Below: Variable, fixed and total annuity sales by to 20 issuers in 2015, according to LIMRA Secure Retirement Institute.

Rank	Company name	Total	Company name	Variable	Company name	Fixed
1	Jackson National Life	24,491,828	Jackson National Life	23,109,447	Allianz Life of North America	8,773,123
2	AIG Companies	19,999,606	TIAA-CREF	12,752,518	New York Life	8,644,037
3	Lincoln Financial Group	14,638,405	Lincoln Financial Group	11,507,596	AIG Companies	8,508,110
4	TIAA-CREF	12,752,518	AIG Companies	11,491,496	American Equity Investment Life	7,083,967
5	New York Life	12,015,254	AXA US	9,848,026	Forethought Annuity	5,258,481
6	Allianz Life of North America	10,783,660	Prudential Annuities	8,722,770	Symetra Financial	4,085,009
7	MetLife	10,149,277	Transamerica	7,786,784	Great American	4,061,020
8	AXA US	9,875,961	MetLife	7,046,118	Nationwide	3,281,000
9	Prudential Annuities	9,539,028	Nationwide	5,374,000	Lincoln Financial Group	3,130,809
10	Nationwide	8,655,000	RiverSource Life Insurance	5,228,194	MetLife	3,103,160
11	Transamerica	7,882,188	Pacific Life	3,655,793	Midland National	3,056,870
12	American Equity Investment Life	7,083,967	New York Life	3,371,217	Pacific Life	2,931,193
13	Pacific Life	6,586,985	Thrivent Financial for Lutherans	3,312,568	Athene Annuity & Life	2,477,932
14	Forethought Annuity	6,452,977	Allianz Life of North America	2,010,537	Principal Financial Group	2,272,371
15	RiverSource Life Insurance	5,522,156	Fidelity Investments Life	2,007,503	Fidelity & Guaranty Life	2,059,554
16	Symetra Financial	4,113,791	Ohio National Life	1,952,352	Security Benefit Life	1,963,292
17	Great American	4,094,123	Northwestern Mutual Life	1,475,214	North American Company for Life and Health	1,951,044
18	Thrivent Financial for Lutherans	3,862,528	Forethought Annuity	1,194,495	EquiTrust Life	1,945,253
19	Midland National	3,436,721	Protective Life	1,155,228	Voya Financial	1,802,508
20	Principal Financial Group	3,232,160	Massachusetts Mutual Life	1,064,262	Western Southern Group	1,662,688
	Top 20	\$185,168,133		\$124,066,116		\$78,051,421
	Total industry	\$236,677,000		\$133,000,000		\$103,677,000
	Top 20 share	78%		93%		75%

Both LIMRA and Wink Inc. reported fourth quarter and full-year 2015 indexed annuity results this year, arriving at different totals based on the companies that report to them. According to the 74th edition of *Wink's Sales & Market Report*, fourth quarter 2015 sales of indexed annuities were \$15.5 billion, more than 12.0% higher than the previous quarter and over 30.0% higher than the fourth quarter of 2015. Wink claims to represents 55 carriers and 99.9% of indexed annuity production.

LIMRA Secure Retirement Institute reported indexed annuity sales of \$16.1 billion in the fourth quarter of 2015 and \$54.5 billion for all of 2015. "Indexed annuities have broken sales records for the past seven years and now represent nearly a quarter of the total annuity market," said Giesing, in a release.

Allianz Life was the top-selling indexed annuity issuer in the fourth quarter, with a 14.5% market share, according to Wink. Its Allianz 222 Annuity was the top-seller for the fourth quarter in a row. According to LIMRA, Allianz Life FIA sales were \$8.75 billion for all of 2015. American Equity Companies again was ranked second, followed by Nationwide, AIG, Great American, and Midland National, Wink said.

For indexed life sales, 46 insurance carriers participated in *Wink's Sales & Market Report*, representing 94.9% of production. Fourth quarter sales were \$541.5 million. Results were up over 13.0% when compared with the previous quarter, and up nearly 9.0% when compared to the same period last year. "Like indexed annuities, indexed life hit a record for the quarter and the year! It looks like AG49 pushed indexed life more than 4.0% over their

prior record sales,” exclaimed Ms. Moore.

Transamerica maintained its top ranking in indexed life sales, with a 14.1% market share. Its Premier Financial Foundation IUL was the top-selling indexed life insurance product for the eighth consecutive quarter. Pacific Life continued in second place, followed by National Life Group, Minnesota Life, and Lincoln National Life. The average indexed UL target premium reported for the quarter was \$8,640. That was more than 11% higher than the prior quarter.

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