

DATA DISPATCH

Individual life insurance sales grow at rapid clip in Q1

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Market Intelligence

Increased consumer awareness about life insurance amid the COVID-19 pandemic may have played a key role in boosting sales in the first quarter of 2021, as the industry recorded the largest increase in total life premiums in a first quarter since at least 2018.

The life insurance market logged \$48.93 billion in total life premiums in the first quarter, an 8.1% increase from \$45.26 billion in the prior-year quarter, an S&P Global Market Intelligence analysis showed.

Individual life premiums rose 9.0% year over year to \$38.26 billion from \$35.11 billion, while group life premiums went up 5.1% to \$10.66 billion from \$10.15 billion in the first quarter of 2020.

Northwestern Mutual Life Insurance Co. remained the top life insurer in the U.S., with \$4.16 billion of total life premiums for the period, representing a year-over-year increase of 10.4%. The insurer also posted the highest growth in group life premiums among the largest underwriters of life insurance in the U.S. at 22.7%.

MetLife Inc. held on to the second spot with \$3.78 billion in total life premiums for the first quarter, representing an increase of 6.4% from \$3.55 billion in the prior-year quarter.

New York Life Insurance Co. and Prudential Financial Inc. stayed put in the third and fourth spots, respectively. New York Life closed the quarter with \$3.43 billion in total life premiums, representing a year-over-year increase of 2.0%, while Prudential Financial posted an 8.4% increase to \$3.33 billion.

Among the largest underwriters of life insurance in the U.S., Protective Life Corp. recorded the highest growth in total life premiums in the first quarter at 125.6%. The insurer landed at the 12th spot with \$1.05 billion in total life premiums for the period.

Protective, Sammons Enterprises enter top 15 after life premiums surge in Q1'21

Rank	Q1'21	Q1'20	Insurer	Market share (%)	Q1'21 life premiums (\$B)			Q1'20 life premiums (\$B)			YOY change (%)		
					Group	Individual ¹	Total	Group	Individual ¹	Total	Group	Individual ¹	Total
1	1		Northwestern Mutual ²	8.5	<0.01	4.15	4.16	<0.01	3.76	3.76	22.7	10.4	10.4
2	2		MetLife ³	7.7	2.99	0.79	3.78	2.71	0.85	3.55	10.6	-7.1	6.4
3	3		New York Life	7.0	0.96	2.48	3.43	0.97	2.39	3.37	-1.7	3.5	2.0
4	4		Prudential Financial Inc.	6.8	1.24	2.09	3.33	1.02	2.05	3.07	21.9	1.7	8.4
5	5		MassMutual	5.3	0.03	2.57	2.60	0.03	2.09	2.12	5.0	22.9	22.7
6	6		Lincoln Financial	3.8	0.36	1.49	1.85	0.38	1.69	2.07	-5.8	-11.8	-10.7
7	7		Guardian	3.3	0.41	1.20	1.61	0.40	1.12	1.52	3.4	7.1	6.1
8	8		State Farm	2.8	0.02	1.37	1.39	0.02	1.32	1.34	4.1	4.0	4.0
9	9		John Hancock ⁴	2.6	<0.01	1.26	1.27	<0.01	1.20	1.20	-2.1	5.3	5.3
10	11		Transamerica	2.5	0.08	1.14	1.22	0.08	0.91	0.98	0.8	26.1	24.1
11	10		Securian	2.4	0.72	0.45	1.18	0.68	0.49	1.17	6.5	-8.4	0.2
12	25		Protective ⁵	2.2	<0.01	1.05	1.05	<0.01	0.46	0.47	-8.8	126.8	125.6
13	12		Pacific Life	2.0	0.00	1.00	1.00	0.00	0.96	0.96	NA	4.0	4.0
14	14		Nationwide	2.0	0.24	0.72	0.96	0.27	0.57	0.85	-13.5	26.2	13.5
15	22		Sammons Enterprises Inc.	1.8	0.01	0.85	0.86	0.01	0.57	0.58	20.7	50.2	49.6
Top 15³				60.7	7.08	22.61	29.69	6.59	20.42	27.01	7.6	10.7	9.9
Industry³				100.0	10.66	38.26	48.93	10.15	35.11	45.26	5.1	9.0	8.1

Date compiled June 22, 2021.

NA = not applicable

Insurer includes groups that represent the consolidation of data of the statutory filers within SNL-defined group structures and unaffiliated single companies.

Rank and market share percentage based on a combination of ordinary and group direct life premiums.

Global Atlantic's Forethought Life Insurance Co. misreported the amount of its ordinary individual annuity considerations and group life premiums. The exhibit reflects corrections confirmed by the company. The S&P Global Market Intelligence product will not reflect changes until an official amended statement is filed.

Based on direct premiums information contained within Exhibit 1 of the quarterly NAIC statutory statements for U.S. domiciled individual life entities.

¹ Individual = ordinary premiums within the NAIC regulatory statements.

² Northwestern Mutual reported group premiums of \$2.7 million in the first quarter of 2021 and \$2.2 million in the prior-year period.

³ MetLife Inc.'s Delaware-based American Life Insurance Co. subsidiary is excluded from the company figure, the top 15 and the industry.

Without these adjustments, MetLife would remain in second place. A significant amount of life premiums from this subsidiary is collected outside the U.S.

⁴ John Hancock reported group premiums of \$3.2 million in the first quarter of 2021 and \$3.2 million in the prior-year period.

⁵ Protective reported group premiums of \$3.7 million in the first quarter of 2021 and \$4.0 million in the prior-year period.

Source: S&P Global Market Intelligence

The Life Insurance Marketing and Research Association, or LIMRA, said the first quarter of 2021 saw the highest growth in the number of individual life insurance policies sold in a quarter since 1983.

LIMRA said the pandemic made consumers more aware of the need for life insurance, driving the strong organic growth in policy sales. Whole life and term life insurance proved to be the most appealing to consumers, as they made up 88% of policies sold during the period, according to data from LIMRA's survey of individual life insurance sales in the U.S.

Total life premiums increase YOY in Q1'21 (\$B)



Date compiled June 22, 2021.

MetLife Inc.'s Delaware-based American Life Insurance Co. subsidiary and first quarter of 2018 premium figures for Arlac Inc.'s American Family Life Assurance Co. of Columbus (Arlac) subsidiary are excluded from the industry figures. A significant amount of life premiums of the two subsidiaries is collected outside the U.S.

Based on direct premiums information contained within Exhibit 1 of the quarterly NAIC statutory statements for U.S. domiciled individual life entities.

Industry data represents the consolidation of data of individual statutory filers covered by S&P Global Market Intelligence.

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