

## Life Insurance Risk Premium Inflows & Sales for Year Ended December 2018

Release Date: 24 April 2019

### During 2018 Life Insurance Risk Market Inflows rose 2.0% from \$16.0bn to \$16.3bn

#### Overview of Life Insurance Risk Market Inflows & Sales: 12 months to December 2018

Overall Risk Inflows continued to climb in 2018 but like the previous couple of years now at a much slower pace than the double digit percentage averages experienced over the past two decades. Year on year they were up only a very modest 2.0% which compares with the 0.9% and 3.4% posted for 2017 and 2016 respectively. Leading companies that reported significantly increased Risk business were AIA (17.4%), MetLife (12.1%) and BT / Westpac (10.4%) while CommInsure (-19.3%) and AMP (-7.7%) saw theirs fall.

Total New Premium Sales were similarly up 2.3%. BT / Westpac (62.0%), AIA (35.9%), Zurich (22.7%) and MetLife (21.1%) all recorded 20% plus jumps in their reported Risk sales. On the other hand those of TAL (-37.0%) and AMP (-10.8%) were both lower.

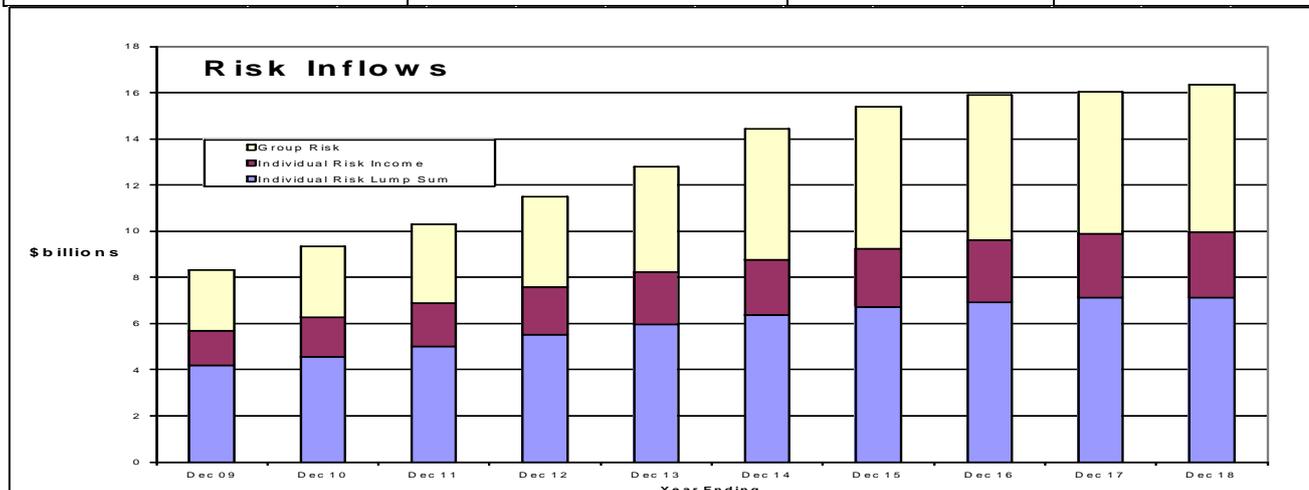
The Life Insurance Risk Market is comprised of both Individual Risk Lump Sum & Risk Income Insurances plus Group Risk Insurance.

#### Total Risk Premium Inflows

\$millions	Year Ended Dec-18	Annual Growth	Market Share	Year Ended Dec-17	Market Share	Year Ended Dec-16	Market Share
TAL Group	2,959.5	3.5%	18.1%	2,858.7	17.8%	2,636.6	16.6%
AIA Australia	2,600.5	17.4%	15.9%	2,215.2	13.8%	2,277.9	14.3%
MLC Life Insurance	1,897.2	-1.9%	11.6%	1,933.7	12.1%	1,903.7	12.0%
AMP Group	1,763.2	-7.7%	10.8%	1,910.6	11.9%	1,964.1	12.4%
OnePath Australia Group	1,644.7	1.4%	10.1%	1,621.3	10.1%	1,642.7	10.3%
CommInsure Group	1,282.3	-19.3%	7.8%	1,589.3	9.9%	1,770.8	11.1%
BT / Westpac Group	1,166.6	10.4%	7.1%	1,057.0	6.6%	1,034.3	6.5%
Suncorp Group	823.7	2.0%	5.0%	807.3	5.0%	800.5	5.0%
MetLife Insurance	748.7	12.1%	4.6%	668.1	4.2%	574.2	3.6%
Zurich Group	710.0	5.4%	4.3%	673.9	4.2%	657.0	4.1%
Others	751.9	8.0%	4.6%	696.2	4.3%	630.9	4.0%
<b>Total</b>	<b>16,348.3</b>	<b>2.0%</b>	<b>100.0%</b>	<b>16,031.4</b>	<b>100.0%</b>	<b>15,892.5</b>	<b>100.0%</b>

\$millions	Year Ended Dec-18	Annual Growth	Year Ended Dec-17	Annual Growth	Year Ended Dec-16
Individual Risk Lump Sum	7,124.9	0.3%	7,105.6	2.5%	6,930.7
Individual Risk Income	2,824.4	1.9%	2,772.6	3.6%	2,676.1
Group Risk	6,399.0	4.0%	6,153.2	-2.1%	6,285.6
<b>Total</b>	<b>16,348.3</b>	<b>2.0%</b>	<b>16,031.4</b>	<b>0.9%</b>	<b>15,892.5</b>



### About the Media Release

The Media Release is provided by Strategic Insight, Actuaries and Researchers. Strategic Insight are specialists in providing accurate statistical information and analyses covering the financial services, funds management and life insurance markets. This Media Release is designed to give managing directors, marketing managers and other senior managers a timely and comprehensive overview of the performance of individual companies and the overall market.

The Life Insurance Industry is analysed using the statistic “Premium Inflows”, which is defined as In Force Premium at the end of the reported period, plus Single Premiums during the reported period. This is very similar to the statistic “New Inflows”, used in the Funds Management Industry, and means that Life Insurance Companies can be assessed in a similar fashion to other fund managers.

The Statistics provided in this Report represent funds that flow through Life Companies’ Statutory Funds, and as such exclude funds that flow through Unit Trusts and Master Funds. Consequently this Report concentrates on the market shares held within the Life Industry Funds, and not the overall Retail Funds Industry.

For the balance of this report it is important not to read too much into some of the reductions in business as some companies may have a deliberate strategy of getting rid of unprofitable business and moving funds from Life Office products to Trust based products (i.e. non-life insurance based). We can provide more details, in specific cases, on request.

### Data Collection and Estimation Techniques

This Report is based wherever possible on data collected from the various Life Companies; prior to 1998, a part of the data was based on that collected by the Insurance and Superannuation Commission (now APRA), to whom acknowledgment is given. However for many years now (10 plus) the vast majority of Companies have been providing their actual quarterly data directly to Strategic Insight. When actual reported data is not available, estimates based on previous trends and/or Companies’ annual reports to APRA, suitably extrapolated and/or interpolated as appropriate have been used; these have no material effect on the overall quality of the data.

### Disclaimer and Conditions of Use

This report and material has been prepared by Strategic Insight (Asset International Australia Pty Ltd, a Strategic Insight company, ACN 147 440 140, ABN 42 147 440 140) (“Vendor”).

From September 2016, “Plan For Life, Actuaries & Researchers” will be known as “Strategic Insight, Actuaries & Researchers” as part of a company-wide global rebranding and growth strategy. For our clients, the only change will be in our name and logo. There will be no change to the products and services we currently provide. The company’s legal entities in Australia will remain in place and there will be no change to existing agreements.

Vendor has taken all reasonable care in preparing this Report and takes no responsibility for inadvertent errors and omissions, or those due to information received from other parties. If any errors or omissions are found, these should be brought to our attention so that appropriate corrective action can be taken. Vendor takes no responsibility for the subsequent use of the material provided.

Vendor, its employees and associated persons make no recommendations, representations, warranties nor provide opinions, implied or otherwise about the suitability in general terms of a particular asset type or insurance and its suitability for any particular individual or organization. This report is provided as an information service and is not suitable to be acted upon as life insurance advice without additional input from an Authorised Representative of an Australian Financial Services Licence Holder. In particular, Vendor advises that in preparing this report it did not take into account the individual goals and objectives, anticipated resources, current situation, attitudes or other circumstances of any particular person. In this regard any such user must consult with an appropriate Authorised Representative of an Australian Financial Services Licence Holder. The information provided on financial products does not constitute financial product advice and users of this information should obtain independent advice before making any financial decision.

Vendor is an Australian Financial Services Licence Holder; none of its employees and associated persons are currently Authorised Representatives of a Licence Holder. Vendor is a research company. Actuarial services are provided by and under the independent control of Somari Systems Pty Ltd ABN 97 006 233 923 (Simon Solomon & Associates). No part of this publication may be reproduced or distributed in any form without express prior written consent from Vendor. Acknowledgement is given to APRA for cross-reference to items appearing in its Annual and Half-annual Reports on Life Companies.

### Products and Services

Simfund Dash Australia is an online interactive reporting and analysis tool designed to support the financial industry in its product, marketing, distribution, benchmarking and research efforts covering Australian superannuation and investment markets with data provided by Strategic Insight. It combines a web-based database with a powerful analytical application that generates professional, presentation-ready fund industry analyses and reports in seconds. [www.simfunddash.com](http://www.simfunddash.com)

### Further Information:

**Daniel Morris** Senior Manager – Email: [Daniel.Morris@strategic-i.com](mailto:Daniel.Morris@strategic-i.com)  
Tel: +61 3 9886 4400  
Address: 217 Blackburn Road, Mt Waverley VIC 3149  
Website: [www.strategic-i.com.au](http://www.strategic-i.com.au)