

Life Insurance Risk Premium Inflows & Sales for Year Ended June 2020

Release Date: 19 October 2020

Life Insurance Risk Market Inflows fell 6.4% in 2019/20 from \$17.0bn to \$15.9bn.

Overview of Life Insurance Risk Market Inflows & Sales: 12 months to June 2020

Year on year overall Risk Inflows were down by 6.4% with most companies reporting decreases. While market leader TAL (13.2%) and ClearView (7.2%) posted a couple increases these were more than exceeded by the falls experienced by all of the others in particular AIA (-29.0%) and MetLife (-11.9%).

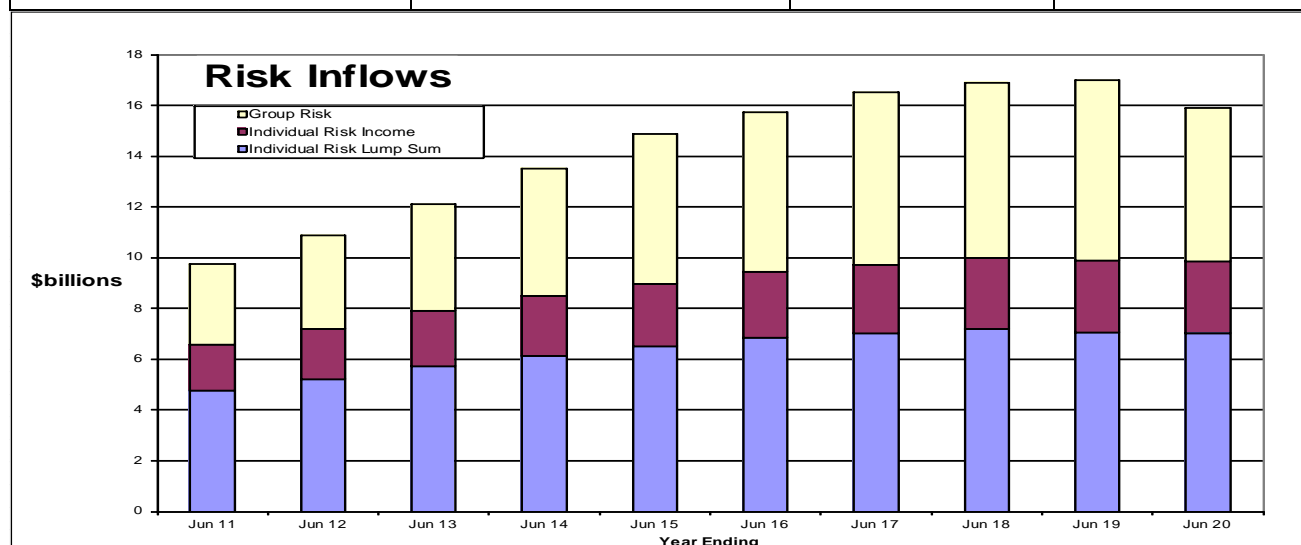
Total reported Premium Sales jumped by close to a quarter, or 23.6%, thanks to a more than doubling of Group Risk sales completely reversing a similarly sized drop that was experienced in the previous year. Meanwhile both Individual Risk markets saw lower sales. Most companies reported reduced Risk sales but TAL (270.1%) was an exception with its soaring due to a jump in Group Risk Sales.

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 Jun-20	Annual Growth	Market Share	Year Ended Jun-19	Market Share	Year Ended Jun-18	Market Share
TAL Group	4,367.5	13.2%	27.5%	3,857.1	22.7%	3,734.2	22.1%
AIA Australia Group	2,732.0	-29.0%	17.2%	3,849.9	22.7%	3,842.0	22.8%
Zurich Australia Group	2,285.3	-3.1%	14.4%	2,359.2	13.9%	2,329.3	13.8%
MLC Life Insurance	1,788.7	-6.9%	11.2%	1,920.3	11.3%	1,943.6	11.5%
Resolution Group	1,581.0	-5.3%	9.9%	1,669.0	9.8%	1,866.0	11.1%
BT / Westpac Group	1,185.2	-5.7%	7.5%	1,256.4	7.4%	1,268.0	7.5%
MetLife Insurance	718.2	-11.9%	4.5%	815.3	4.8%	658.6	3.9%
ClearView Life	270.7	7.2%	1.7%	252.6	1.5%	224.8	1.3%
Others	978.5	-3.2%	6.2%	1,011.0	6.0%	1,009.1	6.0%
Total	15,907.1	-6.4%	100.0%	16,990.9	100.0%	16,875.6	100.0%

\$millions	Year Ended Jun-20	Annual Growth	Year Ended Jun-19	Annual Growth	Year Ended Jun-18
Individual Risk Lump Sum	7,017.8	-0.7%	7,065.0	-1.5%	7,174.6
Individual Risk Income	2,847.6	0.3%	2,837.9	0.8%	2,816.6
Group Risk	6,041.7	-14.8%	7,088.0	3.0%	6,884.4
Total	15,907.1	-6.4%	16,990.9	0.7%	16,875.6



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About the Media Release

The Media Release is provided by Plan For Life, Actuaries and Researchers. Plan For Life 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 Plan For Life. 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.

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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 Plan For Life. It combines a web-based database with a powerful analytical application that generates professional, presentation-ready fund industry analyses and reports in seconds. <https://www.simfund.com/SimfundWeb/>

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