

Life Insurance Risk Premium Inflows & Sales for Year Ended September 2018

Release Date: 21 January 2019

Life Insurance Risk Market Inflows up 1.7% over the year from \$16.2bn to \$16.5bn.

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

Overall Risk Premium Inflows increased by just 1.7% year on year however despite this BT / Westpac (21.8%) and MetLife (13.5%) both still managed to record significant growth rates. AIA (5.5%), Zurich (4.1%), TAL (3.0%), Suncorp (2.1%) and OnePath (1.4%) also reported Risk Inflow increases, albeit much more modest, while CommInsure (-17.9%) and AMP (-5.6%) were both lower.

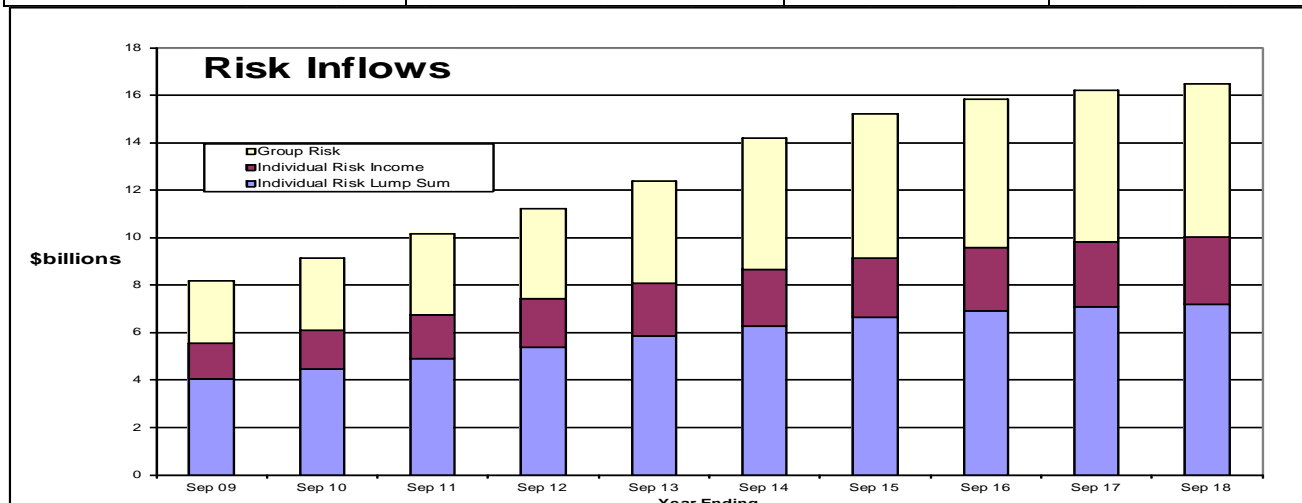
Annual Sales in the Risk market were similarly up 2.1%. BT / Westpac (63.1%) and AIA (46.4%) reported a couple of very large jumps in their Risk Sales year on year with in particular volatility in the Group Risk market a relatively significant factor in both these results. Sales of the other Risk Insurers were mainly lower although Zurich (3.4%) and CommInsure (1.2%) managed to post modest increases.

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 Sep-18	Annual Growth	Market Share	Year Ended Sep-17	Market Share	Year Ended Sep-16	Market Share
TAL Group	2,942.0	3.0%	17.8%	2,856.4	17.6%	2,597.8	16.4%
AIA Australia	2,575.2	5.5%	15.6%	2,442.1	15.1%	2,256.8	14.3%
MLC Life Insurance	1,929.1	0.4%	11.7%	1,921.6	11.9%	1,911.2	12.1%
AMP Group	1,808.8	-5.6%	11.0%	1,917.0	11.8%	1,984.1	12.5%
OnePath Australia Group	1,644.8	1.4%	10.0%	1,621.9	10.0%	1,613.3	10.2%
CommInsure Group	1,300.6	-17.9%	7.9%	1,584.2	9.8%	1,770.8	11.2%
BT / Westpac Group	1,279.2	21.8%	7.8%	1,049.8	6.5%	1,022.5	6.5%
Suncorp Group	822.1	2.1%	5.0%	805.5	5.0%	814.1	5.1%
MetLife Insurance	749.5	13.5%	4.5%	660.6	4.1%	585.7	3.7%
Zurich Group	699.2	4.1%	4.2%	671.5	4.1%	397.8	2.5%
Others	738.0	8.9%	4.5%	677.6	4.2%	866.4	5.5%
Total	16,488.3	1.7%	100.0%	16,208.5	100.0%	15,820.6	100.0%

\$millions	Year Ended Sep-18	Annual Growth	Year Ended Sep-17	Annual Growth	Year Ended Sep-16
Individual Risk Lump Sum	7,201.2	1.8%	7,075.8	2.3%	6,917.6
Individual Risk Income	2,828.3	3.4%	2,735.3	2.6%	2,665.9
Group Risk	6,458.8	1.0%	6,397.4	2.6%	6,237.1
Total	16,488.3	1.7%	16,208.5	2.5%	15,820.6



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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.

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Products and Services

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