

2018 Life Reinsurance Survey Results

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Disclaimer

Munich Re prepared this survey on behalf of the Society of Actuaries Reinsurance Section as a service to section members. The contributing companies provide the data in response to the survey. The data is not audited and Munich Re, the Society of Actuaries and the Reinsurance Section take no responsibility for the accuracy of the figures.



2018 Life Reinsurance Survey results

Who: Top U.S. and Canadian reinsurers

What: Individual and group new business (assumed) and in force

Definitions

Recurring: issued in same year as reinsured

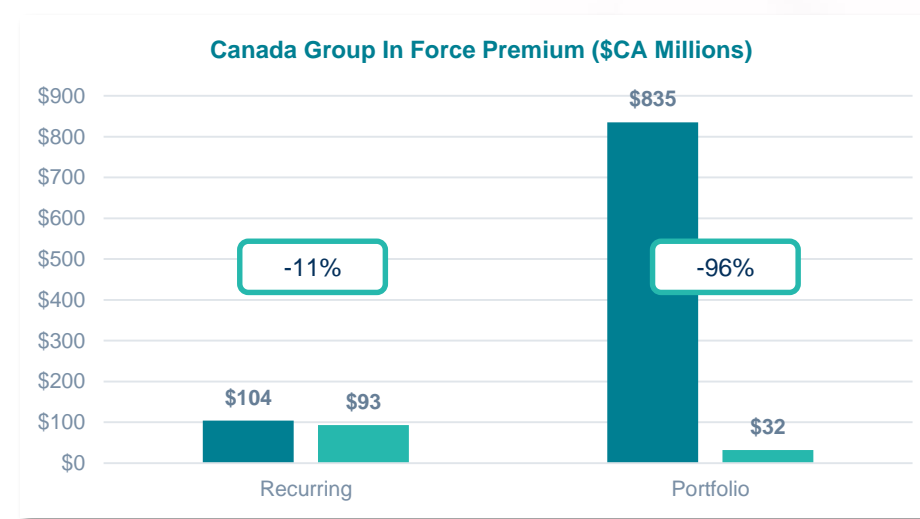
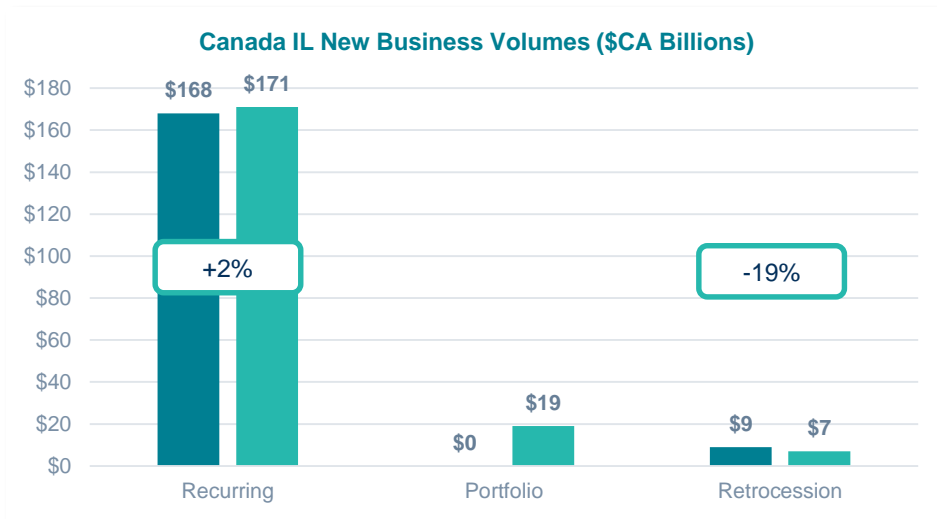
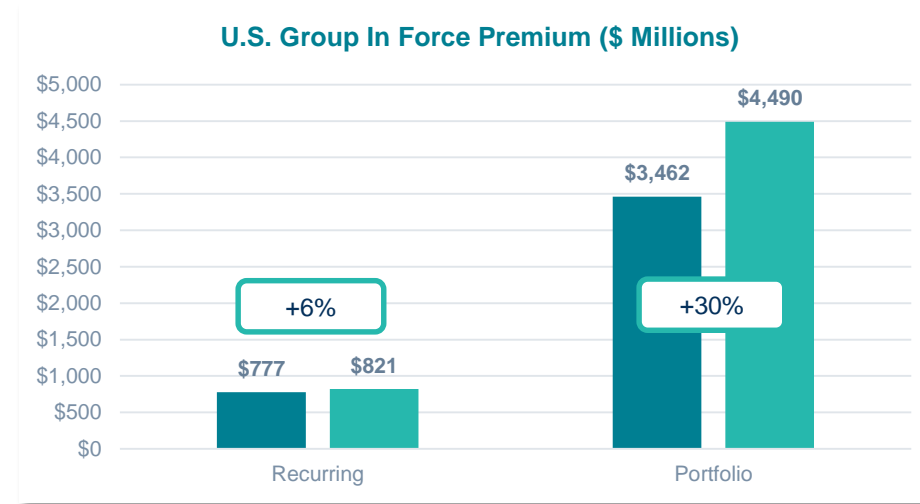
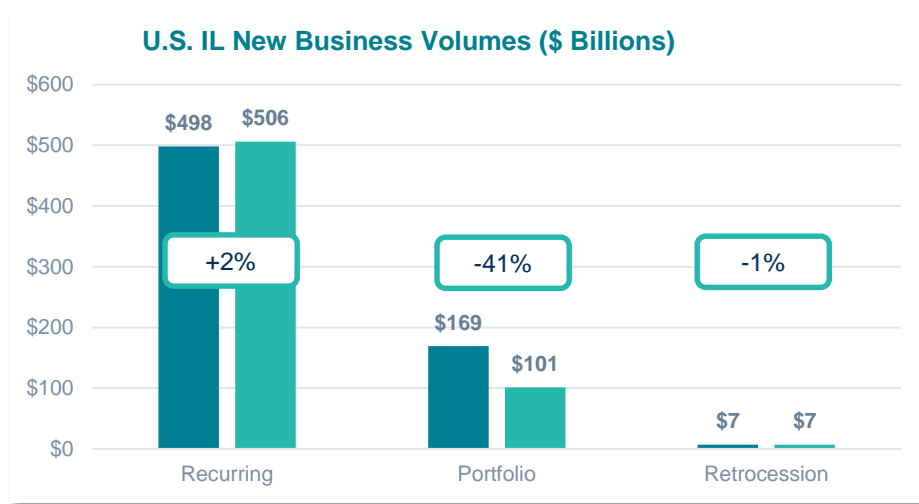
Portfolio: issued prior to year reinsured and financial reinsurance

Retrocession: reinsurance not directly written by ceding company

Reinsurance figures for individual life based on amount (NAR) and group life based on premium

Note: some figures may not add due to rounding

Reinsurance landscape



U.S. individual life new business

A brief history...

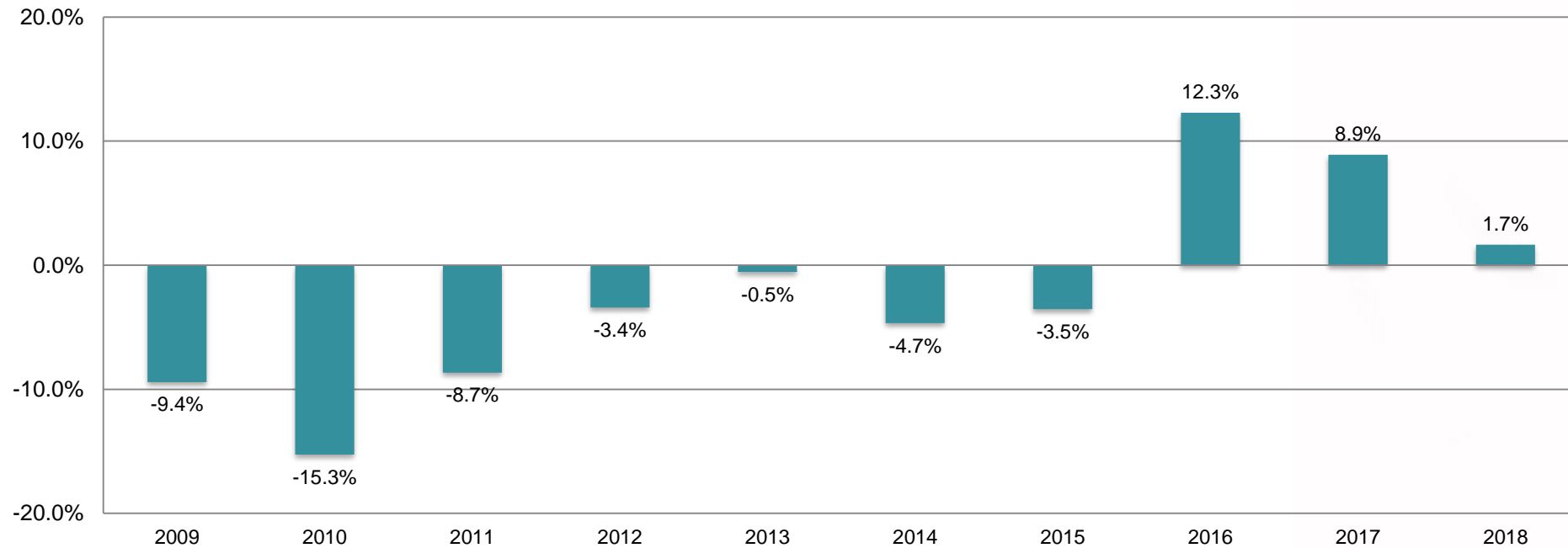
U.S. individual life recurring new business

	1986	1995	2005	2018
# of Reinsurers	30	25	15	9
Recurring NB	\$156B	\$268B	\$844B	\$506B
Top Reinsurers	<ul style="list-style-type: none"> Transamerica Occidental (\$28B) Lincoln National Life (\$17B) General Re (\$16B) 	<ul style="list-style-type: none"> Transamerica Re (\$41B) Lincoln National Life (\$34B) RGA Re (\$24B) 	<ul style="list-style-type: none"> RGA Re (\$183B) Scottish Re (\$131B) Transamerica Re (\$130B) 	<ul style="list-style-type: none"> SCOR (\$115B) RGA Re (\$94B) Swiss Re (\$94B) Munich Re (\$93B)



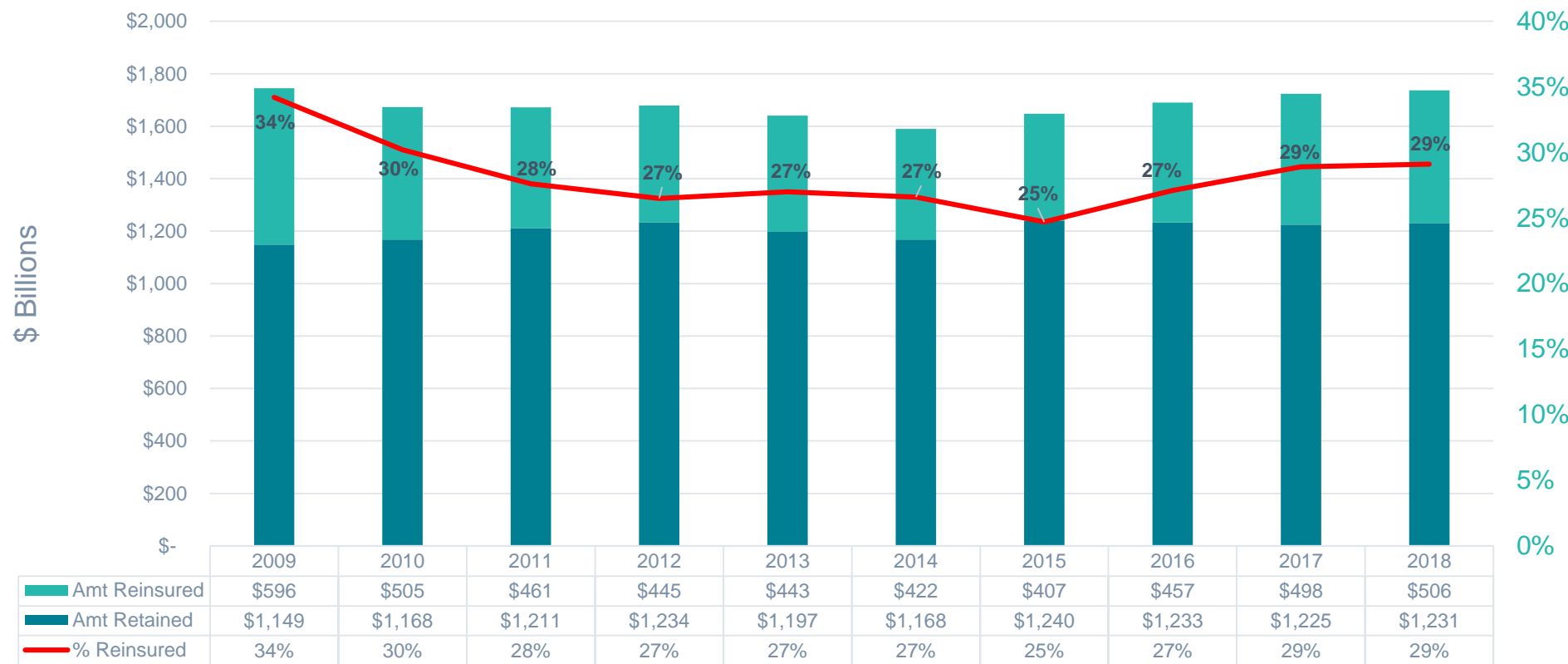
U.S. individual life new business trend

Annual Percentage Change in U.S. Recurring new Business



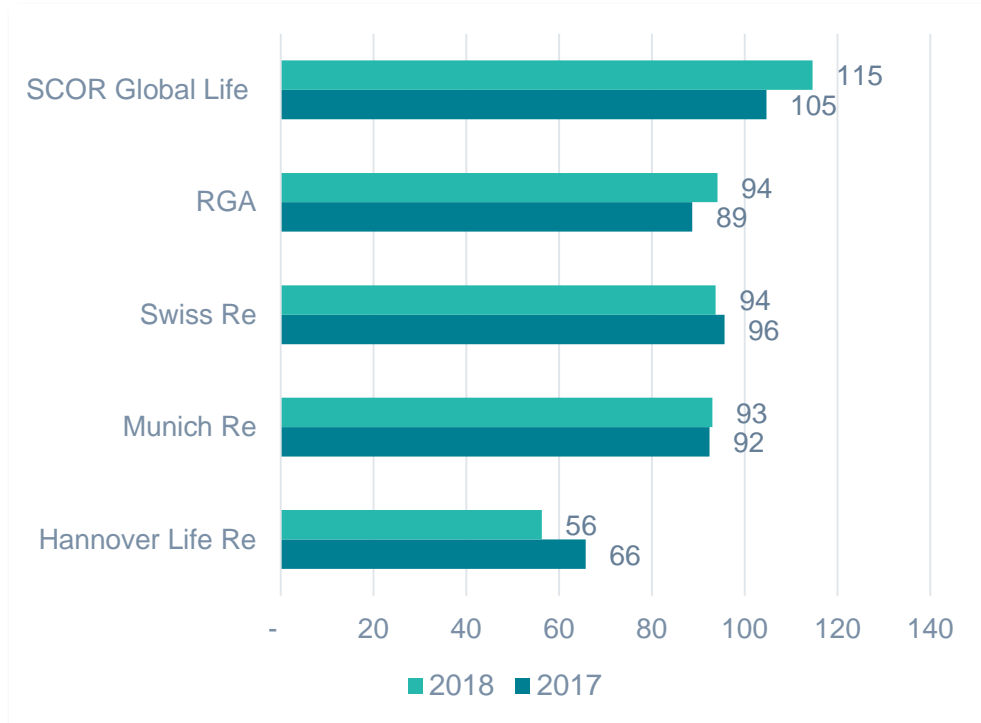
U.S. recurring cession rate

U.S. Individual Life Insurance Sales (Face Amount)

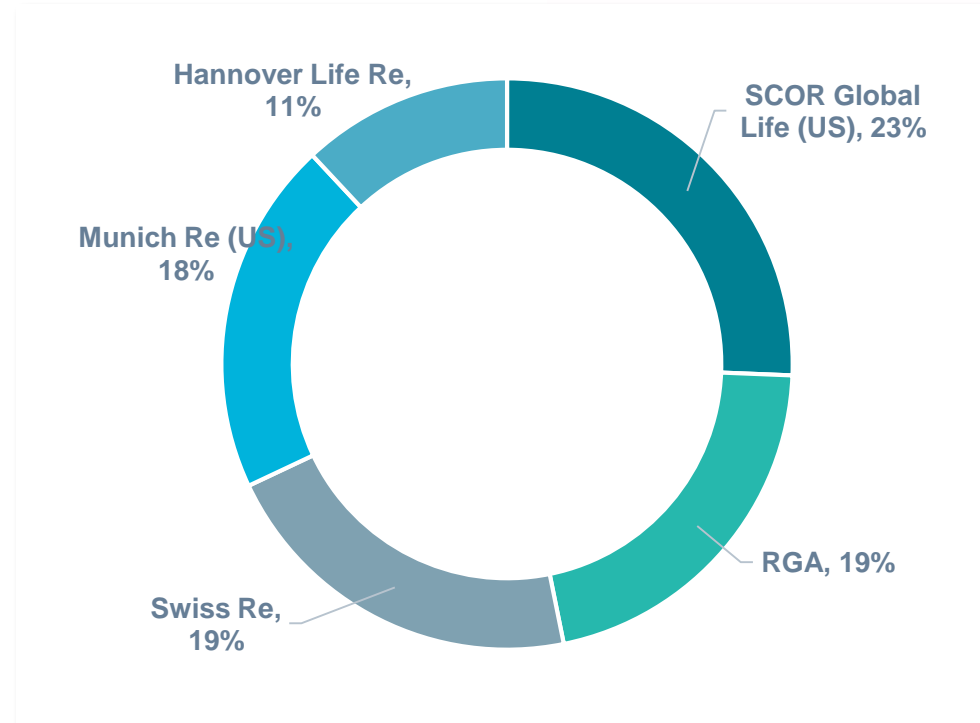


U.S. recurring by company – top five companies (representing 89% of total market share)

Recurring Business (\$ billions)

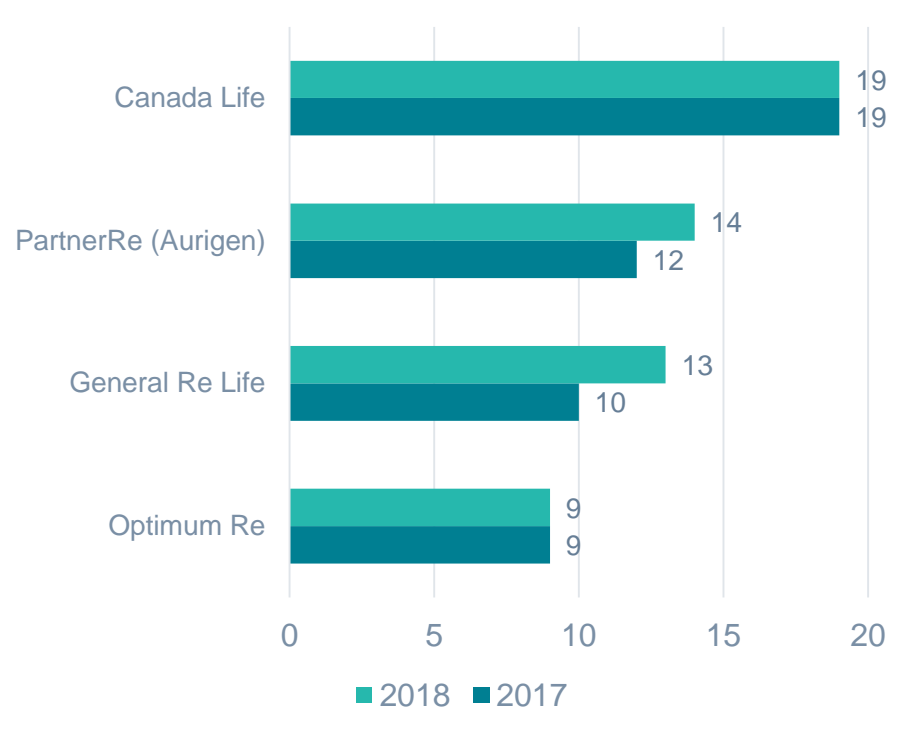


2018 Market Share

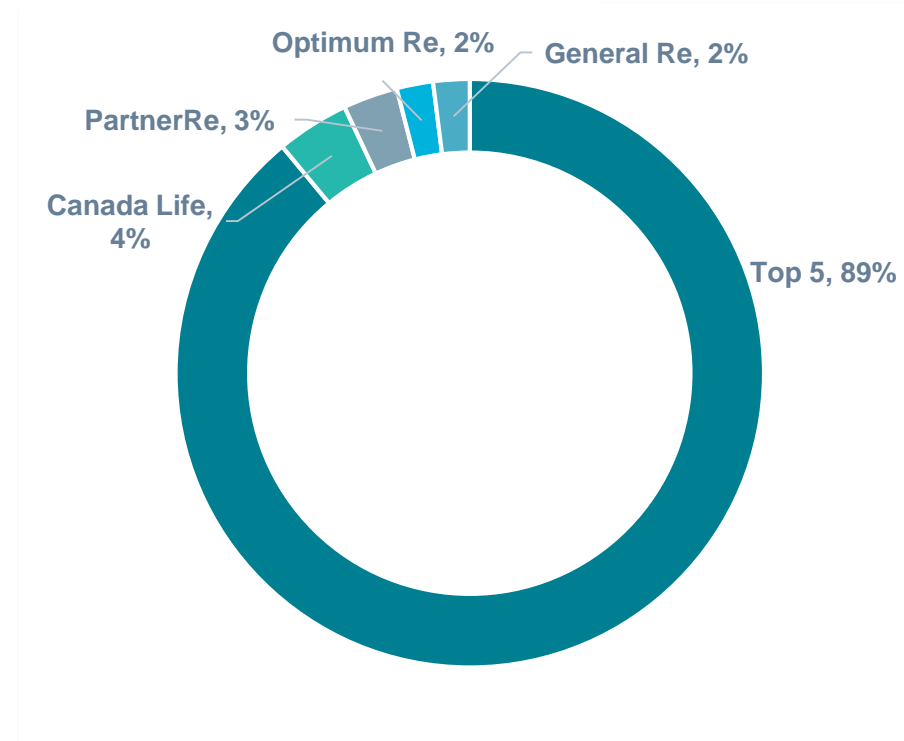


U.S. recurring by company – next four companies

Recurring Business (\$ billions)



2018 Market Share



U.S. recurring by company (\$ billions)

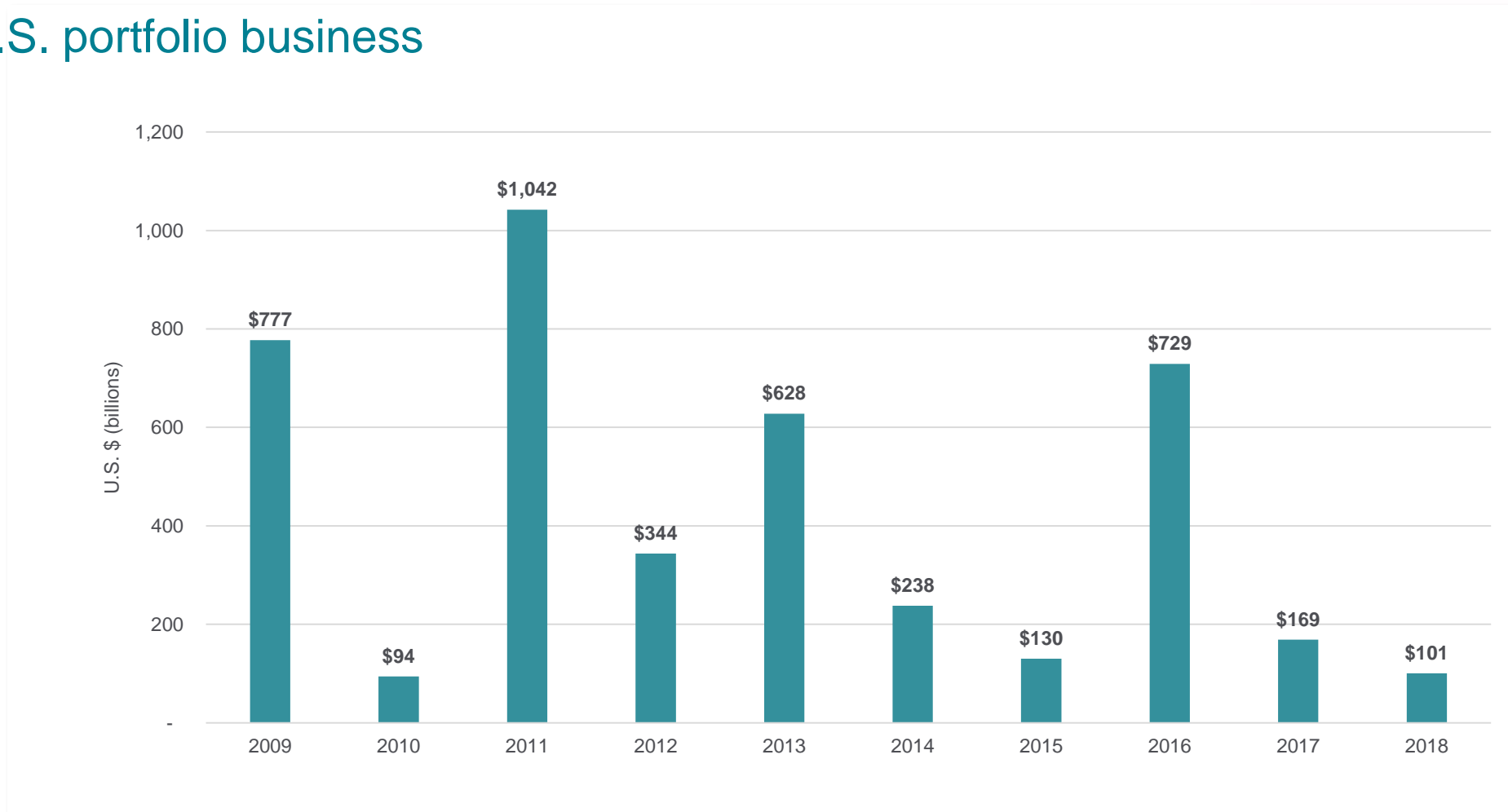
All companies

Company	2017		2018		Change from 2017 to 2018
	Assumed Business	Market Share	Assumed Business	Market Share	
SCOR Global Life	\$105	21%	\$115	23%	9%
RGA	\$89	18%	\$94	19%	6%
Swiss Re	\$96	19%	\$94	19%	-2%
Munich Re	\$92	19%	\$93	18%	1%
Hannover Life Re	\$66	13%	\$56	11%	-14%
Canada Life Re	\$20	4%	\$20	4%	0%
PartnerRe (Aurigen)	\$12	2%	\$14	3%	17%
General Re Life	\$10	2%	\$13	2%	20%
Optimum Re	\$9	2%	\$9	2%	-6%
Total	\$498	100%	506	100%	2%

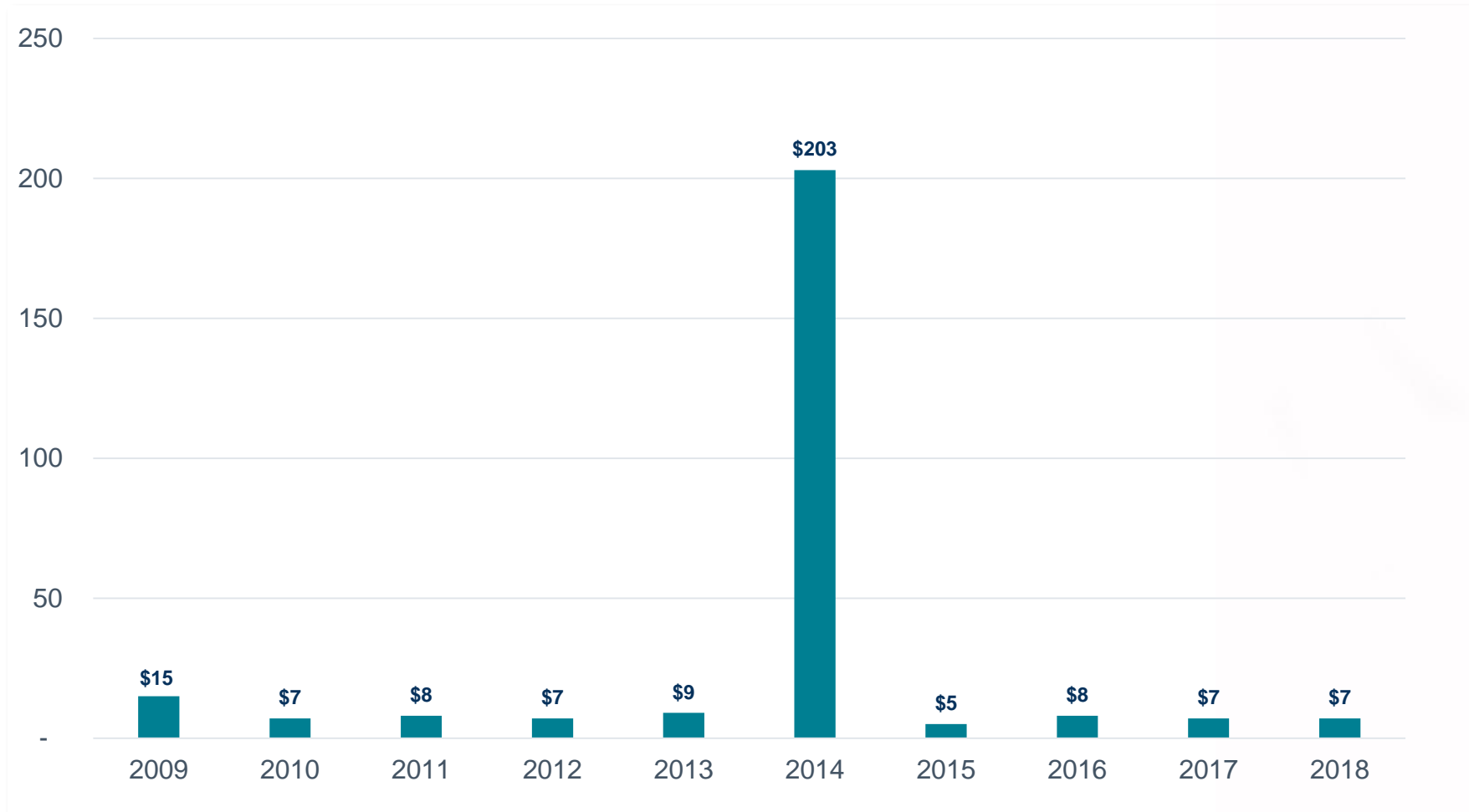
Top five companies now represent 89% of market share

U.S. portfolio business (\$ billions)

U.S. portfolio business



U.S. retrocession (\$ billions)



Canada individual life new business

A brief history ...

Canada individual life recurring new business (\$CA)

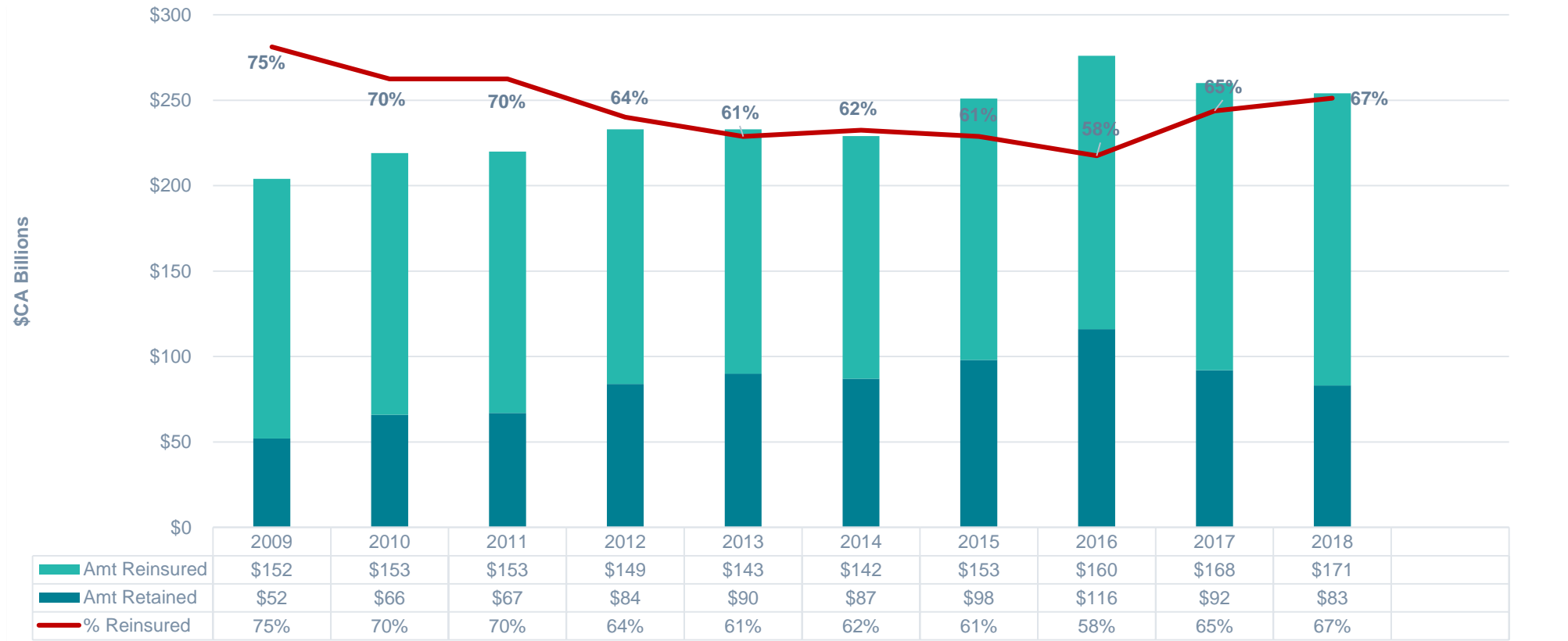


	1986	1995	2005	2018
# of Reinsurers	14	14	7	7
Recurring NB	\$9B	\$17B	\$110B	\$171B
Top Reinsurers	<ul style="list-style-type: none"> ▪ Munich Re (\$3B) ▪ Canadian Re (\$2B) ▪ St. Lawrence Re (\$1B) 	<ul style="list-style-type: none"> ▪ Swiss Re (\$4B) ▪ Munich Re (\$4B) ▪ RGA Re (\$3B) 	<ul style="list-style-type: none"> ▪ Munich Re (\$49B) ▪ RGA Re (\$31B) ▪ Swiss Re (\$26B) 	<ul style="list-style-type: none"> ▪ Munich Re (\$46B) ▪ RGA Re (\$42B) ▪ SCOR (\$27B)



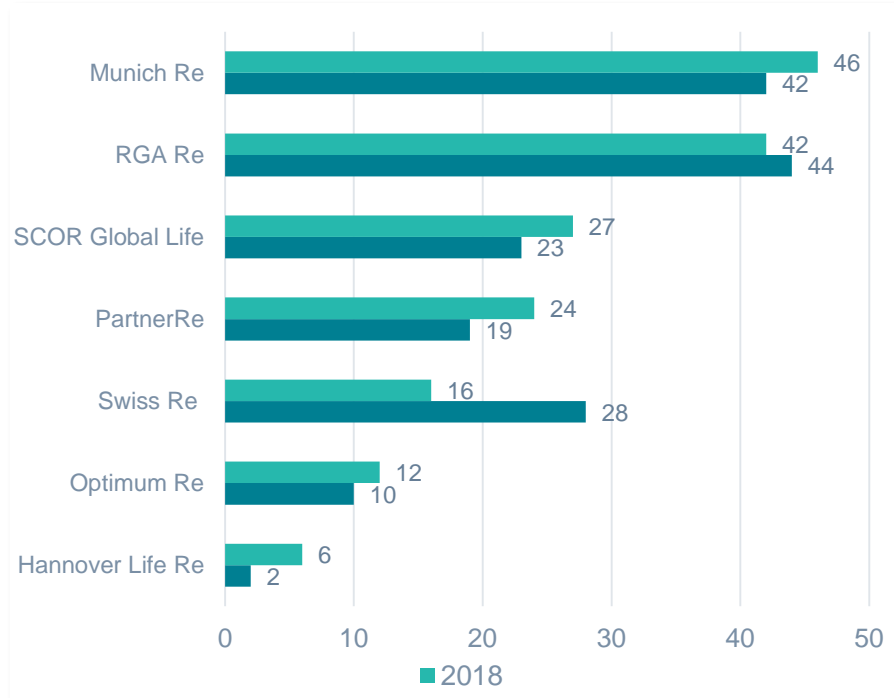
Canada recurring cession rate

Canada Recurring Individual Life Volume (\$CA Billions)

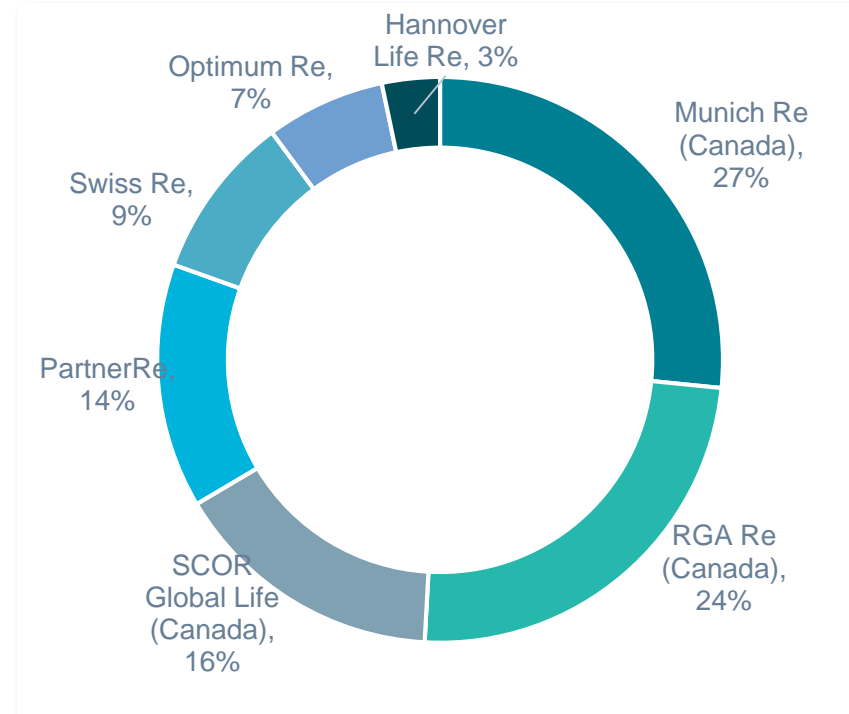


Canada recurring by company (all companies)

Recurring Business (\$CA billions)

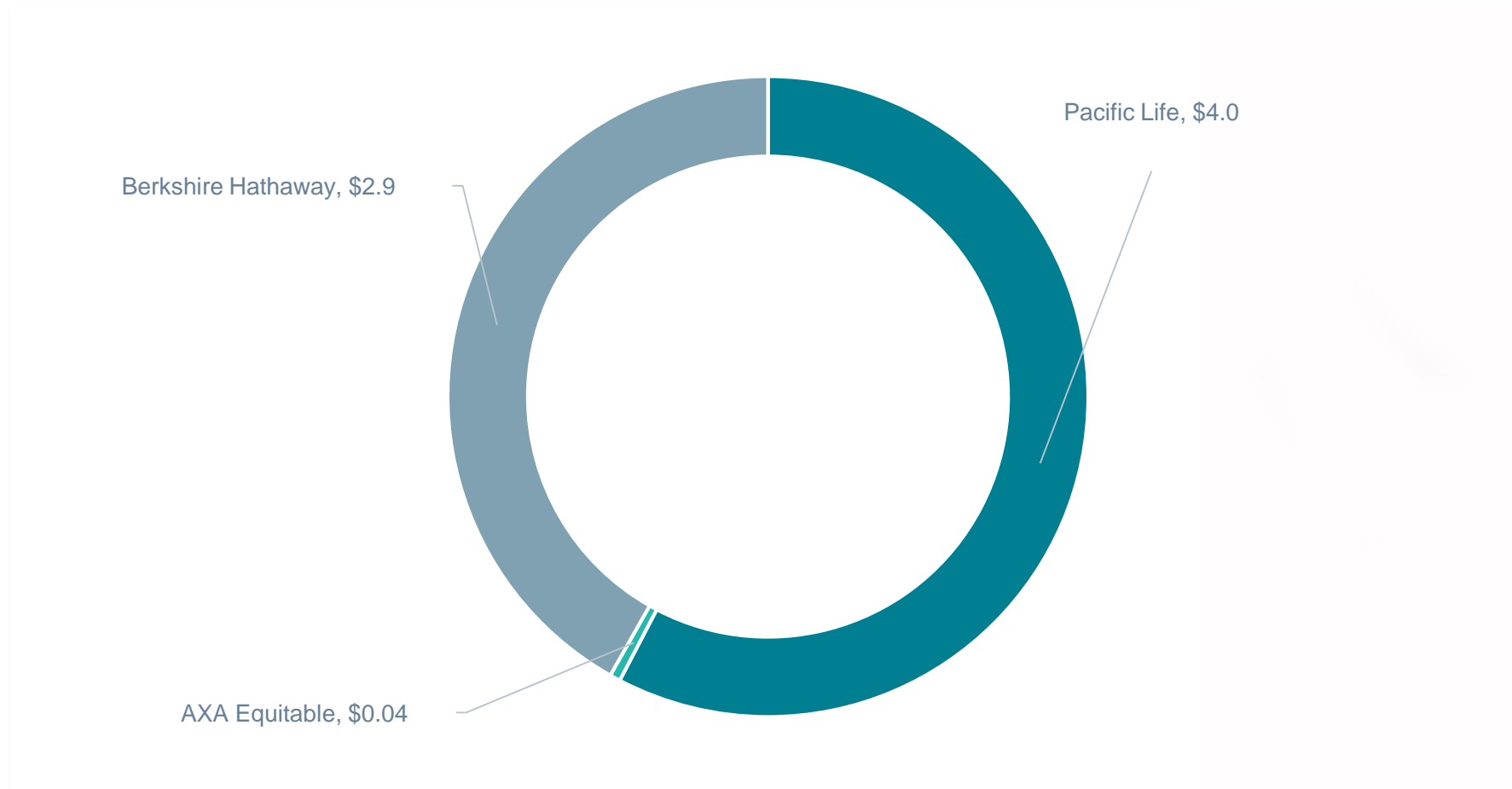


2018 Market Share



Canada portfolio and retrocession

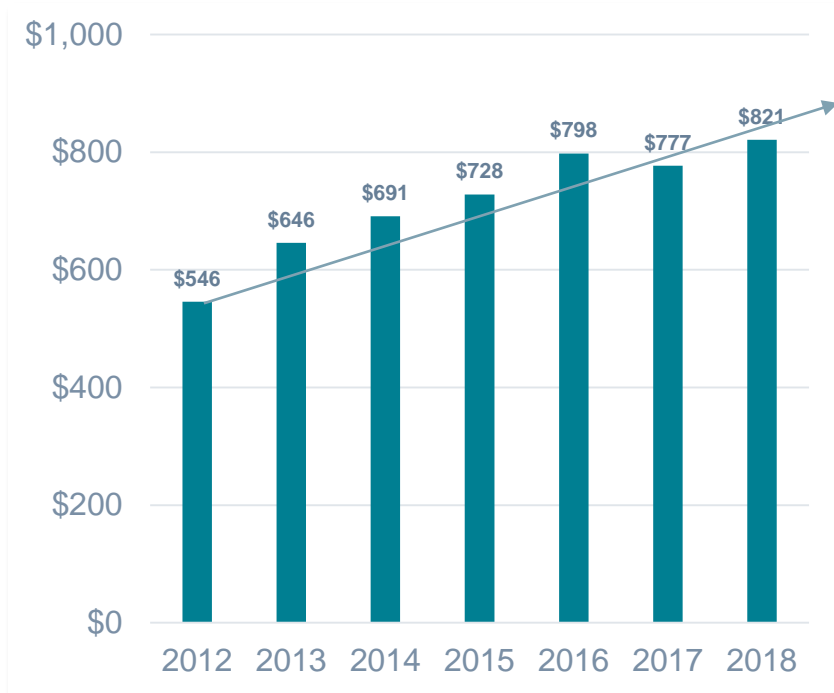
Retrocession (\$CA Billions)



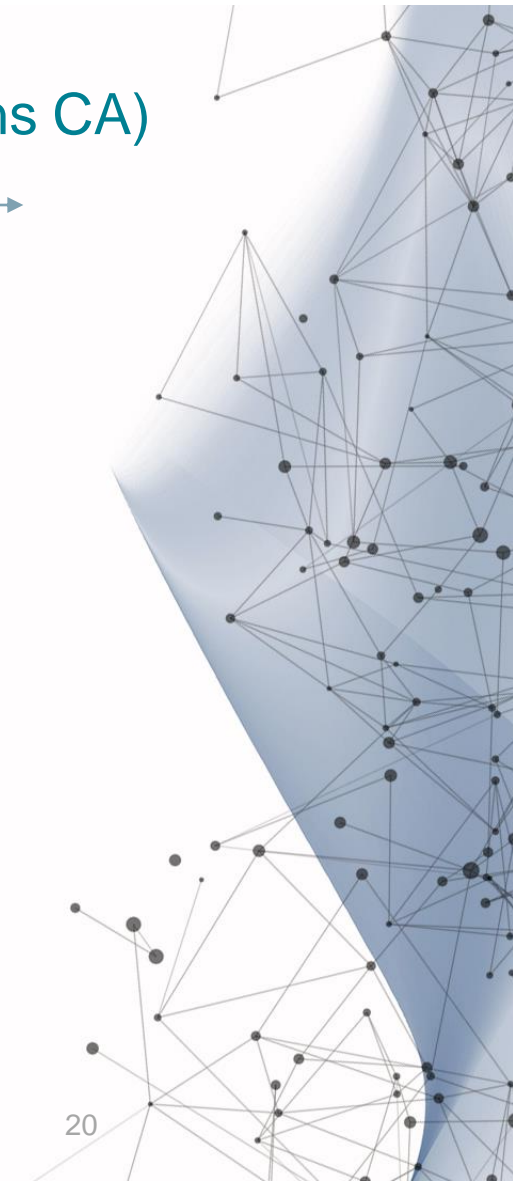
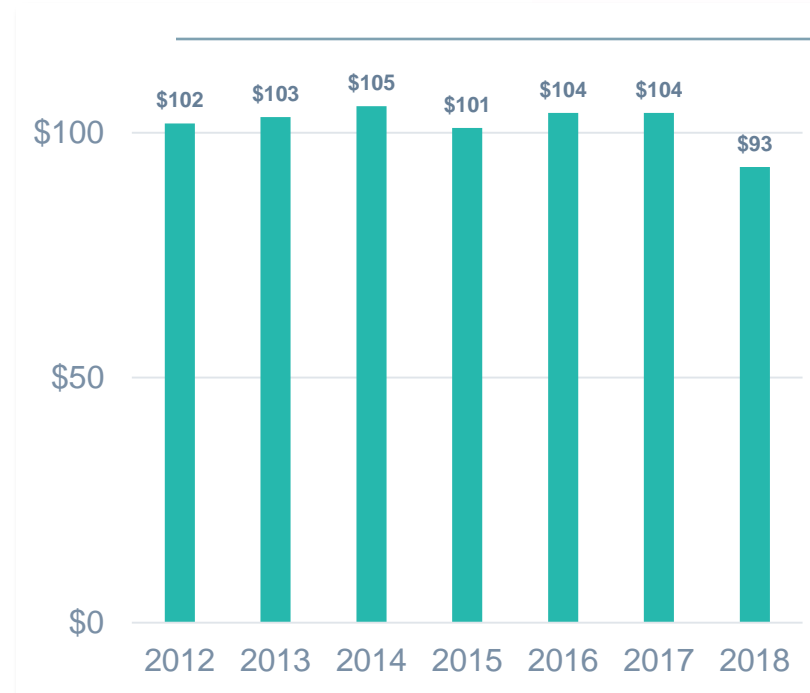
Group business

Group business – recurring business

U.S. Inforce Premiums (\$ millions USD)

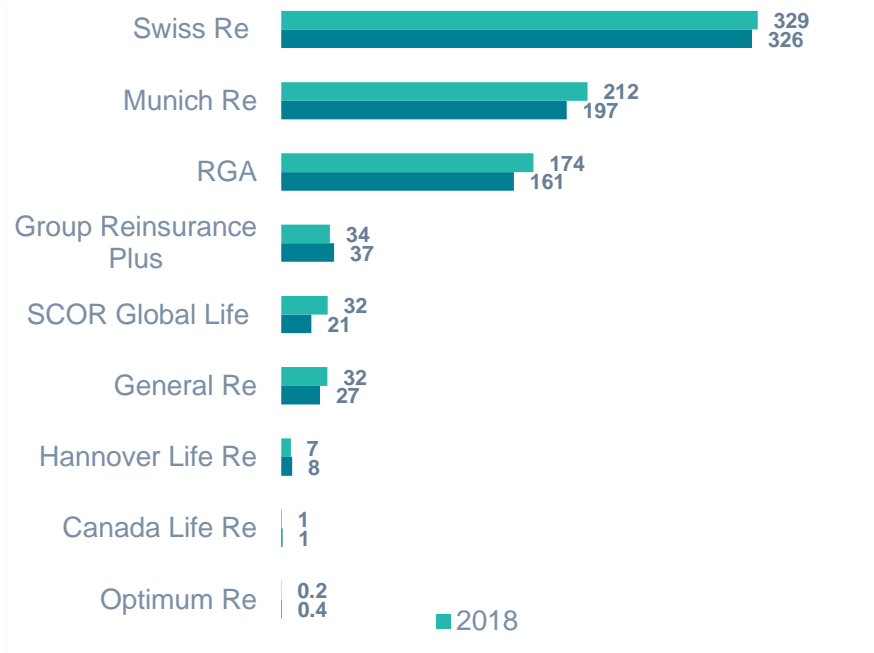


Canada Inforce Premiums (\$ millions CA)

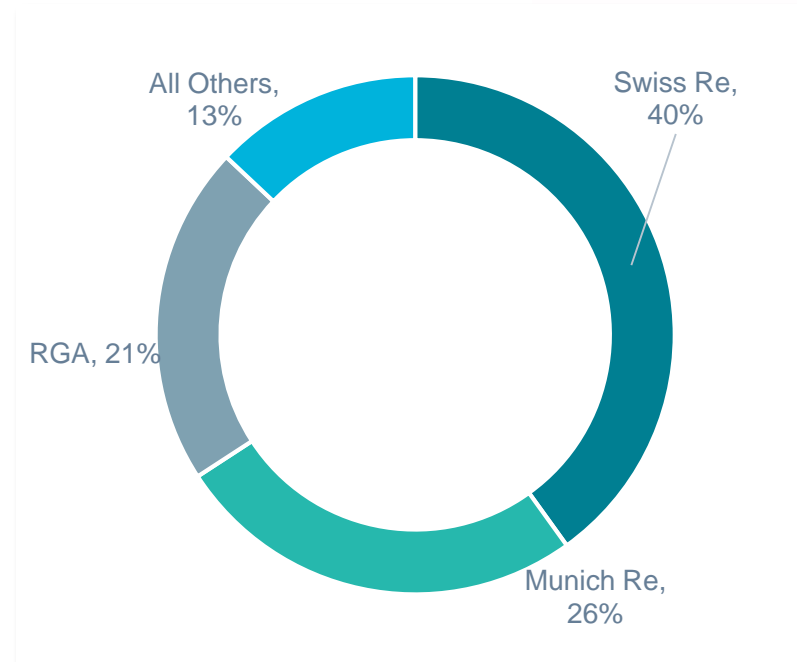


U.S. group life recurring in force premiums (Top 3 account for 87% of market)

Inforce Premiums (\$ millions)

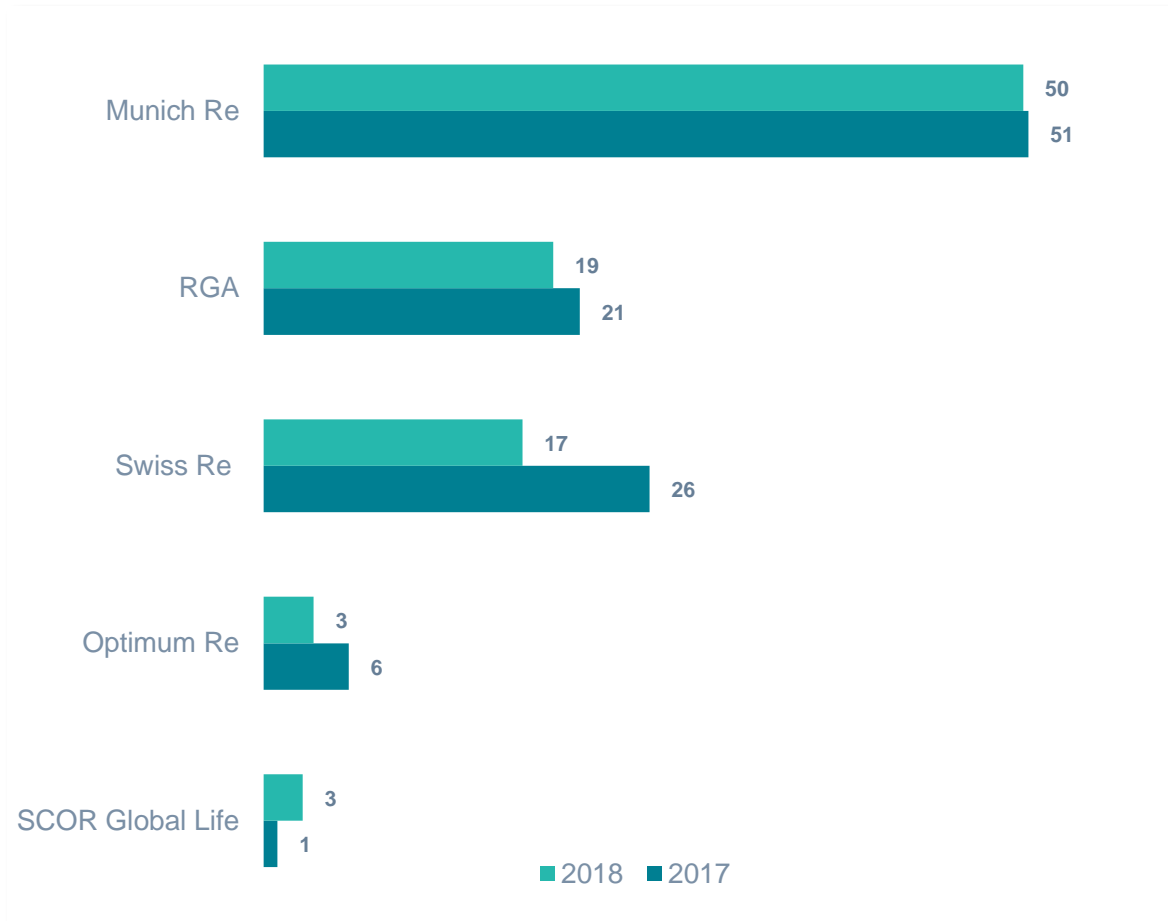


2018 Market Share

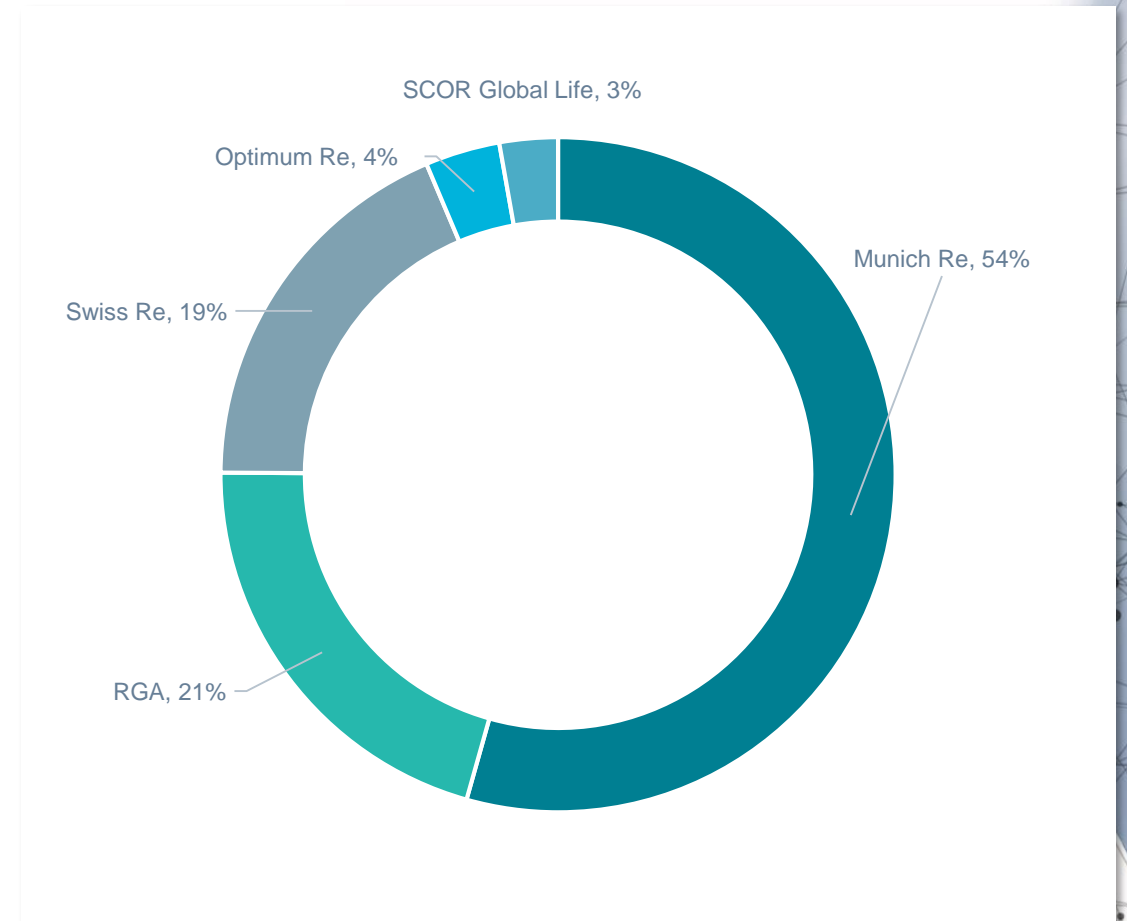


Canada group life recurring in force premiums (Top 3 account for 94% of market)

Inforce Premiums (\$ millions CA)



2018 Market Share



Looking ahead

Many factors will influence future life reinsurance volumes

- Direct life sales, the economy and regulation, in addition to the reinsurance ceding practices.
- Direct writers' appetite for financial reinsurance and reinsurance of in force blocks is not expected to wane in 2019.
- In the U.S., Principle-Based Reserving still presents some uncertainty in terms of how this reserve regulation will impact life reinsurance.
- Life insurers continue to look for ways to expand insurability to those that are uninsured or underinsured through the use of streamlined or accelerated underwriting programs and technology.
 - Reinsurers with expertise in these areas are well-positioned to capitalize on the new life sales generated by these programs.