

Annuity sales surge 39% in second quarter

Variable annuity sales surge 55% to \$32.8 billion in Q2, marking the highest quarterly sales in that category in nearly six years, according to the Secure Retirement Institute.

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Sales of annuities reached \$67.9 billion in the second quarter, up 39% from the second quarter of 2020, according to data gathered by the Secure Retirement Institute. Year-to-date, annuity sales totaled \$129 billion, 23% higher than in the same period in 2020, SRI said in a release.

“Strong equity market gains and lower volatility, as well as rising interest rates all contributed to the rebound,” Todd Giesing, assistant vice president at SRI, [said in the release](#). “The last time quarterly annuity sales surpassed this level was in the fourth quarter of 2008.”

By product type, total variable annuity sales were \$32.8 billion during the quarter, up 55% from 2020, representing the highest quarterly VA sales in nearly six years. In the first six months of 2021, total variable annuity sales were \$62.8 billion, 33% higher than in 2020.

Traditional VA sales were \$22.7 billion, a 37% increase from second quarter 2020. Year to date, traditional VA sales totaled \$43.6 billion, up 16% from the prior year.

[Registered index-linked annuity sales](#) exceeded the record \$9.2 billion in sales in the first quarter to post \$10.1 billion in sales in the second quarter, marking a 122% jump from the second quarter of 2020. For the first half of 2021, RILA sales were \$19.3 billion, which was 105% higher than the prior year.

Fixed indexed annuity sales grew 28% in the second quarter to \$15.4 billion. Year to date, FIA sales were \$28.9 billion, up 2%.

Fixed-rate deferred annuity sales were \$16.1 billion in the second quarter, 26% higher than the prior year results. This represents the highest quarterly sales results for fixed-rate deferred annuities since the second quarter of 2009. In the first six months of 2021, fixed-rate deferred annuity sales totaled \$30.7 billion.

Immediate income annuity sales were \$1.8 billion in the second quarter, up 29% from second quarter 2020. Year to date, immediate income annuity sales were \$3.3 billion, level with prior year results.

Deferred annuity sales increased 52% to \$540 million in the second quarter. While interest rates have improved, they remain very low, undermining interest in income annuity products. In the first half of 2021, DIA sales were \$1 billion, 17% higher than prior year.