

# 2

## ASSETS

Assets held by life insurers back the companies' life, annuity, and health liabilities. Accumulating these assets—via the collection of premiums from policyholders and earnings on investments—provides the U.S. economy with an important source of investment capital. Life insurers held \$8.7 trillion in assets in 2023 (Table 2.1). Assets of U.S. life insurers rose 5.7 percent during 2023 (Table 2.2).

Financial instruments comprise most life insurance company assets and can generally be classified into:

- Bonds, both corporate and government
- Stocks
- Mortgage and real estate holdings
- Policy loans

A life insurer divides its assets between two accounts that differ largely in the nature of the liabilities or obligations for which the assets are being held and invested. The general account supports contractual obligations for guaranteed, fixed-dollar benefit payments, such as life insurance policies. The separate account supports liabilities associated with investment

risk pass-through products or lines of business, such as variable annuities, variable life insurance, and pension products.

State laws allow assets in separate accounts to be invested without regard to the restrictions usually placed on the general account. A separate account portfolio might comprise only common stocks or bonds or mortgages, or some combination of these and other investments. Separate account assets totaled \$3 trillion at the end of 2023—up 9.5 percent from the previous year (Table 2.2). General account assets amounted to \$5.7 trillion in 2023, up 3.7 percent from 2022.

### BOND HOLDINGS AND ACQUISITIONS

Bonds are publicly traded debt securities. Often referred to as fixed-income securities, bonds generally offer low risk and a greater certainty of rates of return. Not only does the borrower (seller of the bond) agree to pay a fixed amount of interest periodically and repay a fixed amount of principal at maturity, but the obligation to make payments on the bond takes precedence over other claims of lenders and

stockholders.

At year-end 2023, 48.2 percent of life insurer assets were held in bonds. Total bond holdings of both general and separate accounts amounted to \$4.2 trillion, up \$68 billion from 2022 (Tables 2.1–2.2). Holdings of bonds in separate accounts increased 8 percent in 2023 to \$566 billion. Bond holdings in general accounts increased to \$3.64 trillion (Table 2.2).

Bonds are issued by a variety of borrowing organizations, including domestic and foreign corporations, the U.S. government agencies, and state, local, and foreign governments. Long-term U.S. government obligations in the general account totaled \$147 billion, and foreign government bonds \$46 billion (Table 2.3). The largest portion of long-term bonds was in unaffiliated securities, with both U.S. and foreign investments totaling \$2.8 trillion, or three-fourths of all long-term general account bonds (76%). Long-term bonds issued by U.S. states, territories, and political subdivisions came to \$38 billion, while bonds issued for U.S. special revenue and assessment totaled \$178 billion.

## **Types of Bonds**

### **Corporate Bonds**

Life insurers are significant investors in the corporate bond market, having been the largest institutional holder of corporate bonds issued in U.S. markets since the 1930s. Private or direct placements—where the financial institution negotiates directly with the corporation over the terms of the offering—account for a sizable share of life insurer investments in corporate bonds. Life insurance companies are the major lenders in the direct placement market.

Corporate debt issues in 2023 represented the largest

component of life insurer assets at 37 percent (Table 2.1). Corporate debt issues totaled \$3.2 trillion by year's end (Table 2.2). These investments have generally increased steadily for many years and have grown at a 5 percent annual rate in the last decade.

### **Government Bonds**

Bonds of the U.S. government include U.S. Treasury securities and others issued by federal agencies. Total government securities fell to \$477 billion at the end of 2023, down \$12 billion from the previous year (Tables 2.1–2.2). These holdings include U.S. Treasury and federal agency guaranteed obligations, special revenue, and other issues of the 50 states, District of Columbia, Puerto Rico, and U.S. territories and possessions and their political subdivisions.

The vast majority of long-term securities were invested in U.S. government securities (\$425 billion) as opposed to those of foreign governments and international agencies (\$52 billion), such as the International Bank for Reconstruction and Development (Table 2.1).

## **Characteristics of Bonds**

### **Maturity**

Bonds have limited lives and expire on a given date, called the issue's maturity date. Twenty-four percent of general account bonds held at year-end 2023 had a maturity between five and 10 years. Another 27 percent matured between one and five years, 21 percent had a maturity over 20 years, 20 percent matured between 10 and 20 years, and 8 percent had a maturity of one year or less (Table 2.4).

At the time of purchase, 39.6 percent of bonds had a maturity date of 20 years or more, while 33.8 percent had a maturity date of 10 to 20 years (Table 2.5). Bonds with maturity dates of five to 10 years (19.9%), and less than five years (6.7%) made up the remainder.

## Quality

In purchasing a bond, investors examine its quality. The higher the quality of the bond, the lower the risk, and the higher the degree of assurance that investors will get their money back at maturity. Consequently, high-quality bonds are ideal for long-term capital accumulation.

Bond holdings can be categorized among six quality classes established by the National Association of Insurance Commissioners. At year-end 2023, 95 percent of total general account bonds were investment grade, Classes 1 and 2 (Table 2.6). The percentage of total bonds in or near default (Class 6) was 0.1 percent.

Of the \$3.7 trillion in general account bonds held by insurance companies in 2023, \$2.1 trillion was invested in publicly traded bonds and \$1.7 billion in privately traded bonds (Table 2.6). Ninety-seven percent of the publicly traded bonds were investment grade (Classes 1 and 2) compared with 92 percent of the privately traded bonds. Of the publicly traded bonds, 0.02 percent were in or near default (Class 6), compared with 0.1 percent of the privately traded bonds.

## STOCK HOLDINGS AND ACQUISITIONS

Life insurers' changing portfolios reflect long-term shifts in investment demand. Since the early 1990s, the share of assets held in stocks has been increasing. The average annual growth in equity holdings was 1.4 percent between 2013 and 2023 (Table 2.2).

Historically, stocks had been a small percentage of total assets for reasons rooted in both the investment

philosophy of the industry and the laws regulating life insurance. Stocks had not been heavily used as a major investment medium for funds backing life insurance policies because of the policies' contractual guarantees for specified dollar amounts.

Part of the investment shift is due to changes in the relative yields of various investment types. Other factors are the introduction of variable life insurance and the growth in funding pension plans with equity securities of life insurers and variable annuities. State laws generally permit certain assets of these and other plans to be maintained in an account separate from a company's other assets, with up to 100 percent invested in stocks or other equities.

Life insurer holdings of corporate stock rose 9.6 percent between 2022 and 2023 to \$2.3 trillion, accounting for 26 percent of total assets. At year-end 2023, \$2.2 trillion, or 94 percent, of stock held by life insurance companies was in separate accounts (Table 2.1-2.2).

Common stock accounted for \$2.3 trillion, or 99 percent, of all stock held by life insurers in 2023 (Table 2.1). Holdings of common stock increased 9.6 percent in 2023, while there was a 4 percent increase in preferred stock holdings (Tables 2.1-2.2).

## MORTGAGES

Mortgages generally are considered riskier fixed-income investments than bonds. Over the past few decades, life insurers have slightly reduced the relative size of their mortgage portfolios in favor of other investments, including mortgage-backed securities (MBS), when comparing life insurers' portfolios prior to 1994. In 2023, mortgages increased 6.7 percent to \$807 billion and accounting for 9.2 percent of combined account assets (Tables 2.1-2.2).

Properties underlying life insurer holdings of non-farm, nonresidential mortgages cover a broad range of commercial, industrial, and institutional uses. Among them are retail stores and shopping centers, office buildings and factories, hospitals and medical centers, and apartment buildings. Commercial mortgages have grown in importance, representing 84 percent (\$680 billion) of U.S. mortgages held by life insurers at the end of 2023 (Table 2.1). Mortgages for residential properties were \$91 billion, or 11 percent of total mortgages held by life insurers on U.S. properties. Farm mortgages were \$35 billion, accounting for 5 percent of total mortgages in 2023.

Almost all of the mortgages held by life insurers were in good standing (99.1%) in 2023. Of industry-held mortgages, only 0.9 percent were either restructured, overdue, or in foreclosure in 2023 (Table 2.7).

At year-end 2023, \$26 billion (4%) was held in general account mortgages with a loan-to-value ratio above 95 percent, compared with \$602 billion (82%) in mortgages with a loan-to-value ratio below 71 percent (Table 2.8).

## **REAL ESTATE**

U.S. life insurers' holdings of directly owned real estate were \$38 billion at the end of 2023. This represents a 4.9 percent decrease from 2022 (Table 2.9).

By the end of 2023, real estate amounted to .4 percent of life insurers' assets (Table 2.1). Real estate holdings in separate accounts decreased \$2 billion during the year as real estate in general accounts increased \$123 million (Table 2.2).

Real estate held to produce income totaled \$32 billion, or 84 percent of all real estate owned, while

real estate held for sale amounted to \$463 million (Table 2.9, Figure 2.4). The remainder was in land and property held for company use, primarily home and regional offices.

## **POLICY LOANS**

Life insurance companies can loan money to policyholders up to the cash value of their life insurance. Life insurers must make these policy loans from funds that otherwise would be invested. Since premium rates are based in part on an anticipated investment return, interest must be charged on the loans. Because the amount of a policy's protection is reduced by the amount of the loan, life insurers advise policyholders that an outstanding loan can seriously impair a family's insurance planning. The policy loan amounts shown in Tables 2.1–2.2 do not include loans made to policyholders by banks or other lending institutions holding borrowers' life insurance policies as collateral.

Life insurer loans to policyholders against the cash value of their life insurance amounted to \$138 billion by year-end 2023, up 5.4 percent from the loans outstanding a year earlier (Tables 2.1–2.2). Policy loans accounted for 1.6 percent of company assets at the end of 2023.

## **FOREIGN-CONTROLLED ASSETS**

Foreign-controlled assets were \$1.8 trillion, or 20.9 percent of total industry assets in 2023 (Table 2.10). Bermuda, followed by Canada, Japan, Germany, and the Netherlands own the most foreign-controlled assets of U.S. life insurers.

Table 2.1

**Distribution of Life Insurer Assets, by Account Type, 2023 (millions)**

	General account		Separate account		Combined accounts	
	Year's end	Percent distribution	Year's end	Percent distribution	Year's end	Percent distribution
<b>Bonds</b>						
Government securities						
U.S.	\$362,454	6.3	\$62,891	2.1	\$425,344	4.9
Foreign	45,889	0.8	5,939	0.2	51,827	0.6
Total government	408,342	7.1	68,829	2.3	477,171	5.5
Corporate securities	2,833,100	49.6	382,412	12.6	3,215,513	36.8
Mortgage-backed securities <sup>1</sup>	403,143	7.1	115,258	3.8	518,401	5.9
Total long-term bonds	3,644,585	63.8	566,499	18.7	4,211,085	48.2
<b>Stocks</b>						
Common	112,625	2.0	2,166,173	71.4	2,278,798	26.1
Preferred	17,631	0.3	1,555	0.1	19,185	0.2
Total	130,256	2.3	2,167,728	71.5	2,297,984	26.3
<b>Mortgages</b>						
Farm	26,721	0.5	8,749	0.3	35,470	0.4
Residential	82,424	1.4	9,005	0.3	91,429	1.0
Commercial	623,815	10.9	56,063	1.8	679,877	7.8
Total	732,960	12.8	73,817	2.4	806,776	9.2
<b>Real estate</b>	22,685	0.4	15,006	0.5	37,691	0.4
<b>Policy loans</b>	138,453	2.4	-	0.0	138,453	1.6
<b>Short-term investments</b>	41,815	0.7	9,724	0.3	51,539	0.6
<b>Cash &amp; cash equivalents</b>	147,207	2.6	42,187	1.4	189,394	2.2
<b>Derivatives</b>	101,964	1.8	28,123	0.9	130,086	1.5
<b>Other invested assets</b>	387,614	6.8	101,300	3.3	488,914	5.6
<b>Non-invested assets</b>	363,696	6.4	27,575	0.9	391,271	4.5
<b>Aggregate total</b>	<b>5,711,236</b>	<b>100.0</b>	<b>3,031,959</b>	<b>100.0</b>	<b>8,743,195</b>	<b>100.0</b>

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data reflect investments held at year's end. Data represent U.S. life insurers and fraternal benefit societies.

<sup>1</sup>Includes Ginnie Mae (GNMA).

Table 2.2

**Distribution of Life Insurer Assets, by Account Type and Year<sup>1</sup>**

	General account (millions)			Average annual percent change	
	2013	2022	2023	2013/2023	2022/2023
<b>Bonds</b>					
Government	\$396,125	\$417,269	\$408,342	0.3	-2.1
Corporate	1,832,434	2,805,136	2,833,100	4.5	1.0
MBS <sup>1</sup>	468,725	395,761	403,143	-1.5	1.9
Total	2,697,284	3,618,165	3,644,585	3.1	0.7
<b>Stocks</b>					
Common	76,169	106,626	112,625	4.0	5.6
Preferred	8,570	17,138	17,631	7.5	2.9
Total	84,739	123,764	130,256	4.4	5.2
<b>Mortgages</b>	363,361	694,429	732,960	7.3	5.5
<b>Real estate</b>	22,683	22,563	22,685	0.0	0.5
<b>Policy loans</b>	131,316	131,374	138,453	0.5	5.4
<b>Short-term investments</b>	63,352	37,415	41,815	-4.1	11.8
<b>Cash &amp; cash equivalents</b>	33,579	105,781	147,207	15.9	39.2
<b>Derivatives</b>	37,800	95,372	101,964	10.4	6.9
<b>Other invested assets</b>	168,611	367,110	387,614	8.7	5.6
<b>Non-invested assets</b>	197,661	309,936	363,696	6.3	17.3
Aggregate total	3,800,386	5,505,908	5,711,236	4.2	3.7

Table 2.2, continued

**Distribution of Life Insurer Assets, by Account Type and Year<sup>1</sup>, continued**

	Separate account (millions)			Average annual percent change	
	2013	2022	2023	2013/2023	2022/2023
<b>Bonds</b>					
Government	\$67,933	\$72,259	\$68,829	0.1	-4.7
Corporate	141,984	337,844	382,412	10.4	13.2
MBS <sup>1</sup>	92,914	114,667	115,258	2.2	0.5
Total	302,831	524,770	566,499	6.5	8.0
<b>Stocks</b>					
Common	1,918,648	1,971,952	2,166,173	1.2	9.8
Preferred	557	1,308	1,555	10.8	18.9
Total	1,919,205	1,973,260	2,167,728	1.2	9.9
<b>Mortgages</b>	10,355	61,757	73,817	21.7	19.5
<b>Real estate</b>	8,602	17,054	15,006	5.7	-12.0
<b>Policy loans</b>	356	-	-	NA	NA
<b>Short-term investments</b>	20,877	8,911	9,724	-7.4	9.1
<b>Cash &amp; cash equivalents</b>	15,290	40,589	42,187	10.7	3.9
<b>Derivatives</b>	613	13,013	28,123	46.6	116.1
<b>Other invested assets</b>	53,552	103,412	101,300	6.6	-2.0
<b>Non-invested assets</b>	18,232	26,245	27,575	4.2	5.1
Aggregate total	2,349,913	2,769,010	3,031,959	2.6	9.5



Table 2.2, continued

Distribution of Life Insurer Assets, by Account Type and Year, continued					
	Combined accounts (millions)			Average annual percent change	
	2013	2022	2023	2013/2023	2022/2023
<b>Bonds</b>					
Government	\$464,059	\$489,528	\$477,171	0.3	-2.5
Corporate	1,974,418	3,142,980	3,215,513	5.0	2.3
MBS <sup>1</sup>	561,639	510,427	518,401	-0.8	1.6
Total	3,000,116	4,142,935	4,211,085	3.4	1.6
<b>Stocks</b>					
Common	1,994,817	2,078,578	2,278,798	1.3	9.6
Preferred	9,127	18,446	19,185	7.7	4.0
Total	2,003,944	2,097,024	2,297,984	1.4	9.6
<b>Mortgages</b>	373,716	756,186	806,776	8.0	6.7
<b>Real estate</b>	31,285	39,616	37,691	1.9	-4.9
<b>Policy loans</b>	131,672	131,374	138,453	0.5	5.4
<b>Short-term investments</b>	84,229	46,326	51,539	-4.8	11.3
<b>Cash &amp; cash equivalents</b>	48,869	146,370	189,394	14.5	29.4
<b>Derivatives</b>	38,413	108,385	130,086	13.0	20.0
<b>Other invested assets</b>	222,163	470,522	488,914	8.2	3.9
<b>Non-invested assets</b>	215,892	336,181	391,271	6.1	16.4
Aggregate total	6,150,300	8,274,918	8,743,195	3.6	5.7

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

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<sup>1</sup>Includes Ginnie Mae (GNMA).

NA: Not available.



Table 2.3

Distribution of Long-Term General Account Bond Investments				
	2022		2023	
	Amount (millions)	Percent distribution	Amount (millions)	Percent distribution
<b>U.S. government obligations</b>	\$143,593	4.0	\$146,704	4.0
<b>Foreign government</b>	48,312	1.3	45,889	1.3
<b>U.S. states and territories</b>	16,544	0.5	15,118	0.4
<b>U.S. political subdivisions</b>	24,721	0.7	23,020	0.6
<b>U.S. special revenue and assessment</b>	184,098	5.1	177,612	4.9
<b>Mortgage-backed securities</b>	395,761	10.9	403,143	11.1
<b>Other</b>				
Unaffiliated securities	2,734,963	75.6	2,757,717	75.7
Affiliated securities	70,173	1.9	75,383	2.1
<b>Total</b>	<b>3,618,165</b>	<b>100.0</b>	<b>3,644,585</b>	<b>100.0</b>

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Table 2.4

**Distribution of General Account Bonds, by Remaining Maturity, 2019-2023**

		Percentage of general account bonds held at year's end					Total
		1 year or less	More than 1 year to 5 years	More than 5 years to 10 years	More than 10 years to 20 years	More than 20 years	
<b>Government</b>							
	2019	11.6	19.2	20.9	24.1	24.3	100.0
	2020	13.7	20.5	21.6	21.2	23.0	100.0
	2021	10.3	20.8	20.8	23.4	24.6	100.0
	2022	9.8	17.0	18.9	28.0	26.2	100.0
	2023	12.0	16.1	18.6	29.6	23.7	100.0
<b>Corporate</b>							
	2019	6.5	26.7	32.0	15.5	19.4	100.0
	2020	6.4	27.3	29.6	16.3	20.5	100.0
	2021	6.2	26.3	28.7	17.2	21.5	100.0
	2022	5.8	27.8	27.8	17.5	21.1	100.0
	2023	7.2	29.8	25.0	17.9	20.2	100.0
<b>Total</b>							
	2019	7.5	25.1	29.7	17.2	20.4	100.0
	2020	7.8	26.0	28.1	17.2	21.0	100.0
	2021	6.9	25.4	27.3	18.3	22.1	100.0
	2022	6.5	26.0	26.3	19.2	22.0	100.0
	2023	8.0	27.5	24.0	19.8	20.7	100.0

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

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Table 2.5

**Distribution of General Account Long-Term Bonds, at Time of Purchase, 2023**

<b>Maturity</b>	<b>Percent distribution</b>
<b>20 years and over</b>	39.6
<b>10 years to less than 20 years</b>	33.8
<b>5 years to less than 10 years</b>	19.9
<b>Less than 5 years</b>	6.7
<b>Total</b>	100.0

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

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Table 2.6

**Distribution of General Account Bonds, by NAIC Quality Class<sup>1</sup>**

<b>PUBLIC BONDS</b>	<b>2013</b>		<b>2022</b>		<b>2023</b>	
<b>NAIC quality class</b>	<b>Amount (millions)</b>	<b>Percentage of publicly traded bonds</b>	<b>Amount (millions)</b>	<b>Percentage of publicly traded bonds</b>	<b>Amount (millions)</b>	<b>Percentage of publicly traded bonds</b>
<b>High quality</b>						
Class 1	\$1,403,399	69.2	\$1,302,134	61.5	\$1,313,068	63.3
Class 2	536,934	26.5	752,856	35.5	709,837	34.2
<b>Medium quality</b>						
Class 3	58,452	2.9	46,148	2.2	35,692	1.7
<b>Low quality</b>						
Class 4	24,075	1.2	14,135	0.7	13,795	0.7
Class 5	4,448	0.2	2,249	0.1	2,631	0.1
Class 6	1,329	0.1	381	0.0	453	0.0
<b>Total</b>	<b>2,028,638</b>	<b>100.0</b>	<b>2,117,903</b>	<b>100.0</b>	<b>2,075,475</b>	<b>100.0</b>

Table 2.6, continued

**Distribution of General Account Bonds, by NAIC Quality Class<sup>1</sup>, continued**

<b>PRIVATE BONDS</b>						
	<b>2013</b>		<b>2022</b>		<b>2023</b>	
<b>NAIC quality class</b>	<b>Amount (millions)</b>	<b>Percentage of privately traded bonds</b>	<b>Amount (millions)</b>	<b>Percentage of privately traded bonds</b>	<b>Amount (millions)</b>	<b>Percentage of privately traded bonds</b>
<b>High quality</b>						
Class 1	\$332,702	44.7	\$814,510	51.9	\$893,981	53.9
Class 2	339,925	45.7	619,079	39.4	630,228	38.0
<b>Medium quality</b>						
Class 3	42,330	5.7	82,060	5.2	81,526	4.9
<b>Low quality</b>						
Class 4	19,229	2.6	37,400	2.4	37,008	2.2
Class 5	7,334	1.0	15,143	1.0	14,820	0.9
Class 6	2,566	0.3	1,694	0.1	1,668	0.1
<b>Total</b>	<b>744,085</b>	<b>100.0</b>	<b>1,569,886</b>	<b>100.0</b>	<b>1,659,231</b>	<b>100.0</b>

Table 2.6, continued

Distribution of General Account Bonds, by NAIC Quality Class <sup>1</sup> , continued						
TOTAL BONDS	2013		2022		2023	
NAIC quality class	Amount (millions)	Percentage of general account bonds	Amount (millions)	Percentage of general account bonds	Amount (millions)	Percentage of general account bonds
<b>High quality</b>						
Class 1	\$1,736,101	62.6	\$2,116,644	57.4	\$2,207,049	59.1
Class 2	876,859	31.6	1,371,935	37.2	1,340,065	35.9
<b>Medium quality</b>						
Class 3	100,781	3.6	128,207	3.5	117,218	3.1
<b>Low quality</b>						
Class 4	43,304	1.6	51,535	1.4	50,802	1.4
Class 5	11,782	0.4	17,392	0.5	17,451	0.5
Class 6	3,895	0.1	2,075	0.1	2,120	0.1
Aggregate total	2,772,722	100.0	3,687,789	100.0	3,734,706	100.0

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Figures include both government and corporate bonds held in general accounts of U.S. life insurers and fraternal benefit societies.

NAIC bond classes are: Class 1--highest quality; Class 2--high quality; Class 3--medium quality; Class 4--low quality; Class 5--lower quality; Class 6--in or near default. Class 1 and Class 2 bonds are investment grade.

<sup>1</sup>Includes long-term bonds, short-term investments, and cash equivalents.

Table 2.7

**Quality of Mortgages Held by Life Insurers**

	2013		2022		2023	
	Amount (millions)	Percent distribution	Amount (millions)	Percent distribution	Amount (millions)	Percent distribution
<b>Farm</b>						
In good standing	\$18,071	99.8	\$34,482	99.5	\$35,322	99.6
Restructured	28	0.2	24	0.1	18	0.1
Overdue	7	0.0	128	0.4	119	0.3
Foreclosed	5	0.0	26	0.1	11	0.0
Total	18,110	100.0	34,660	100.0	35,470	100.0
<b>Residential</b>						
In good standing	5,784	97.5	63,963	95.9	88,954	97.3
Restructured	50	0.8	988	1.5	448	0.5
Overdue	63	1.1	1,207	1.8	1,284	1.4
Foreclosed	33	0.6	510	0.8	743	0.8
Total	5,930	100.0	66,668	100.0	91,429	100.0
<b>Commercial</b>						
In good standing	347,837	99.5	652,769	99.7	675,443	99.3
Restructured	1,630	0.5	1,209	0.2	1,693	0.2
Overdue	107	0.0	256	0.0	1,583	0.2
Foreclosed	101	0.0	623	0.1	1,158	0.2
Total	349,676	100.0	654,857	100.0	679,877	100.0
<b>All categories</b>						
In good standing	371,693	99.5	751,214	99.3	799,718	99.1
Restructured	1,707	0.5	2,222	0.3	2,159	0.3
Overdue	177	0.0	1,591	0.2	2,986	0.4
Foreclosed	139	0.0	1,159	0.2	1,912	0.2
Aggregate total	373,716	100.0	756,186	100.0	806,776	100.0

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.

Table 2.8

General Account Mortgages for Life Insurers, by Type and Loan-to-Value Ratios, 2023 (millions)			
Loan-to-value ratio	Farm	Non-Farm	Total
Above 95%	\$18	\$25,747	\$25,764
91 - 95%	15	5,042	5,057
81 - 90%	73	24,222	24,296
71 - 80%	48	76,233	76,281
Below 71 %	26,568	574,994	601,562
Total	26,721	706,238	732,960

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represents U.S. life insurers and fraternal benefit societies.

Table 2.9

Real Estate Owned by Life Insurers, by Type					
	Millions			Average annual percent change	
	2013	2022	2023	2013/2023	2022/2023
<b>Investment property</b>					
Held for income	\$24,608	\$33,629	\$31,803	2.6	-5.4
Held for sale	1,041	334	463	-7.8	38.5
Total	25,650	33,963	32,266	2.3	-5.0
<b>Occupied by company</b>	5,635	5,653	5,426	-0.4	-4.0
Aggregate total	31,285	39,616	37,691	1.9	-4.9

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.



Table 2.10

<b>Foreign-Controlled Assets of U.S. Life Insurers, by Country and Year (millions)</b>					
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Bermuda	\$170,597	\$213,697	\$334,455	\$448,272	\$531,669
Canada	380,189	436,482	456,066	496,605	520,747
Cayman Islands	58,205	66,627	39,190	42,597	50,607
France	2,177	2,030	1,810	1,919	2,150
Germany	187,702	204,192	205,375	193,171	213,291
Japan	177,179	187,333	200,633	203,187	216,050
Netherlands	214,535	233,783	238,338	196,587	202,232
Panama	123	131	132	134	135
Spain	59	65	59	58	61
Switzerland	37,950	39,157	41,583	40,728	36,659
United Kingdom	283,109	312,476	51,288	51,748	56,328
Total	1,511,825	1,695,974	1,568,929	1,675,006	1,829,930
Percentage of industry assets	20.0%	20.8%	18.1%	20.2%	20.9%

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Companies are defined as foreign controlled if 50 percent or more of stock is owned by a foreign entity or entities.

Table 2.11

**Asset Distribution of Life Insurers, by Year (millions)**

<b>Year</b>	<b>Bonds</b>	<b>Stocks</b>	<b>Mortgages</b>	<b>Real estate</b>	<b>Policy loans</b>	<b>Miscellaneous assets</b>	<b>Total</b>
1917	\$2,537	\$83	\$2,021	\$179	\$810	\$311	\$5,941
1920	3,298	75	2,442	172	859	474	7,320
1925	4,333	81	4,808	266	1,446	604	11,538
1930	6,431	519	7,598	548	2,807	977	18,880
1935	10,041	583	5,357	1,990	3,540	1,705	23,216
1940	17,092	605	5,972	2,065	3,091	1,977	30,802
1945	32,605	999	6,636	857	1,962	1,738	44,797
1950	39,366	2,103	16,102	1,445	2,413	2,591	64,020
1955	47,741	3,633	29,445	2,581	3,290	3,742	90,432
1960	58,555	4,981	41,771	3,765	5,231	5,273	119,576
1965	70,152	9,126	60,013	4,681	7,678	7,234	158,884
1970	84,166	15,420	74,375	6,320	16,064	10,909	207,254
1975	121,014	28,061	89,167	9,621	24,467	16,974	289,304
1980	212,618	47,366	131,080	15,033	41,411	31,702	479,210
1981	233,308	47,670	137,747	18,278	48,706	40,094	525,803
1982	268,288	55,730	141,989	20,624	52,961	48,571	588,163
1983	308,738	64,868	150,999	22,234	54,063	54,046	654,948
1984	358,897	63,335	156,699	25,767	54,505	63,776	722,979
1985	421,446	77,496	171,797	28,822	54,369	71,971	825,901
1986	486,583	90,864	193,842	31,615	54,055	80,592	937,551
1987	557,110	96,515	213,450	34,172	53,626	89,586	1,044,459
1988	640,094	104,373	232,863	37,371	54,236*	97,933	1,166,870
1989	716,204	125,614	254,215	39,908	57,439	106,376	1,299,756
1990	793,443	128,484	270,109	43,367	62,603	110,202	1,408,208
1991	893,005	164,515	265,258	46,711	66,364	115,348	1,551,201
1992	990,315	192,403	246,702	50,595	72,058	112,458	1,664,531
1993	1,113,853	251,885	229,061	54,249	77,725	112,354	1,839,127
1994	1,186,139	281,816	215,332	53,813	85,499	119,674	1,942,273
1995	1,278,416	371,867	211,815	52,437	95,939	133,070	2,143,544
1996	1,348,425	477,505	207,779	49,484	100,460	139,894	2,323,547
1997	1,451,289	598,358	209,898	46,076	104,549	168,908	2,579,078
1998	1,518,998	757,958	216,336	41,313	104,507	187,410	2,826,522
1999	1,551,618	989,762	229,797	38,186	98,757	162,533	3,070,653
2000	1,605,178	997,329	236,701	36,059	101,978	204,491	3,181,736
2001	1,731,792	909,026	243,596	32,368	104,273	247,966	3,269,019
2002	1,955,548	791,429	250,531	32,848	105,229	244,414	3,380,000

Table 2.11, continued

**Asset Distribution of Life Insurers, by Year (millions), continued**

<b>Year</b>	<b>Bonds</b>	<b>Stocks</b>	<b>Mortgages</b>	<b>Real estate</b>	<b>Policy loans</b>	<b>Miscellaneous assets</b>	<b>Total</b>
2003	\$2,181,533	1,022,071	268,986	30,673	107,007	277,921	3,888,190
2004	2,347,322	1,179,397	282,534	31,005	108,658	303,470	4,252,385
2005	2,440,412	1,285,468	294,876	32,574	109,500	319,165	4,481,995
2006	2,461,479	1,530,892	313,741	33,096	112,914	370,701	4,822,824
2007	2,571,525	1,670,338	336,150	34,943	116,633	361,997	5,091,586
2008	2,602,753	1,135,797	352,676	32,497	122,485	401,938	4,648,147
2009	2,581,575	1,385,923	336,316	27,714	123,283	503,884	4,958,693
2010	2,744,758	1,570,225	326,988	27,851	126,821	514,561	5,311,204
2011	2,877,492	1,546,085	342,831	28,909	129,333	568,008	5,492,658
2012	2,935,705	1,725,259	354,053	30,559	130,715	601,129	5,777,420
2013	3,000,116	2,003,944	373,716	31,285	131,672	609,567	6,150,300
2014	3,107,150	2,072,474	395,079	31,511	133,350	666,396	6,405,961
2015	3,201,985	2,000,887	437,171	44,471	134,713	658,592	6,477,819
2016	3,347,615	2,055,574	472,104	46,925	134,593	715,205	6,772,014
2017	3,479,586	2,261,700	513,551	42,718	136,542	749,275	7,183,372
2018	3,492,759	1,999,630	564,839	38,551	136,704	760,311	6,992,794
2019	3,637,843	2,297,819	615,383	41,552	133,902	840,699	7,567,199
2020	3,869,897	2,471,287	641,410	40,583	133,302	993,910	8,150,389
2021	4,052,432	2,688,564	690,577	38,632	131,482	1,069,054	8,670,739
2022	4,142,935	2,097,024	756,186	39,616	131,374	1,107,783	8,274,918
2023	4,211,085	2,297,984	806,776	37,691	138,453	1,251,205	8,743,195

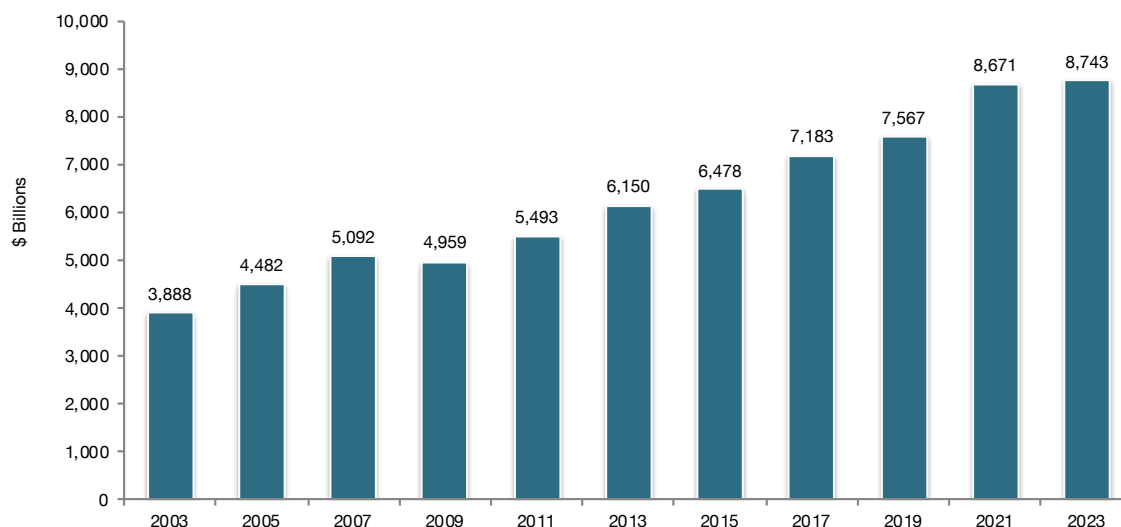
Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Beginning with 1962, data include assets in separate accounts. Data represents U.S. life insurers and, as of 2003, fraternal benefit societies.

\*Excludes an estimated \$600 million of securitized policy loans.

Figure 2.1

## Growth of Life Insurer Assets

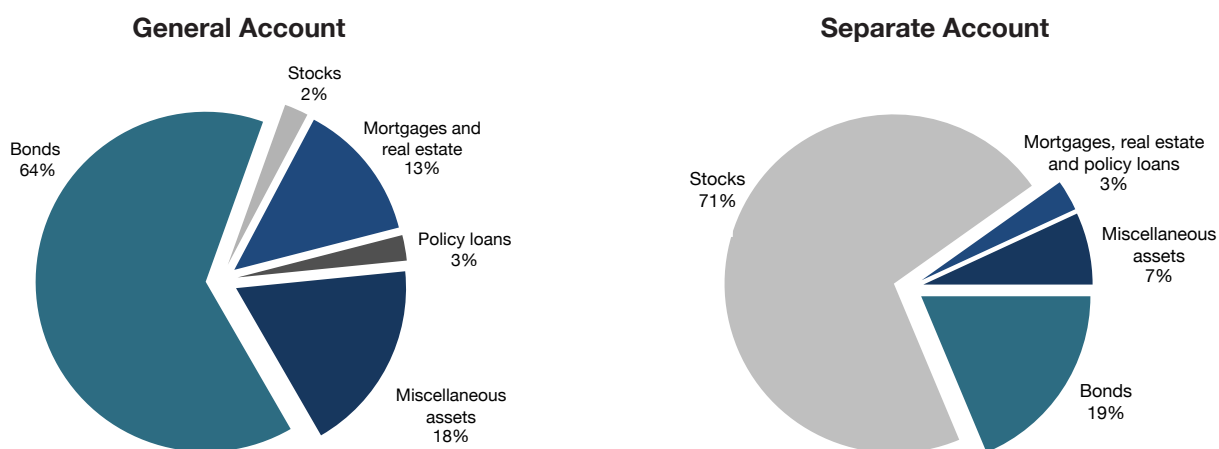


Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.

Figure 2.2

## Asset Distribution of Life Insurers, 2023

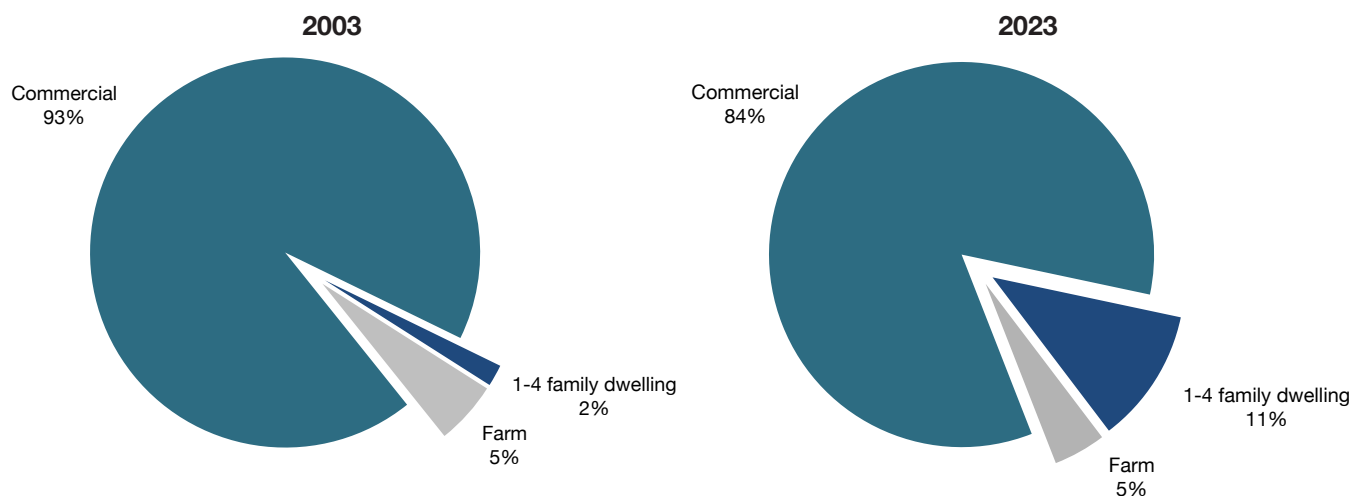


Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.

Figure 2.3

### Mortgages Held by Life Insurers, by Type

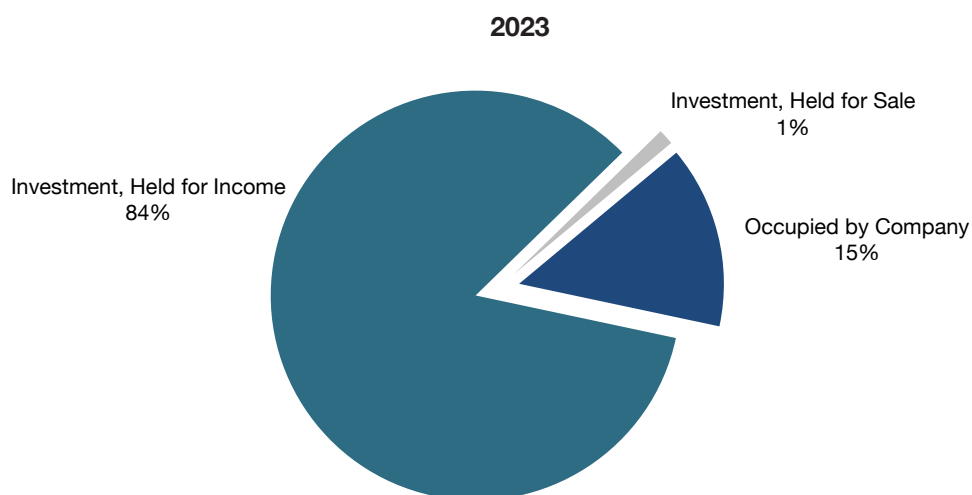


Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.

Figure 2.4

### Real Estate Owned by Life Insurers



Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.