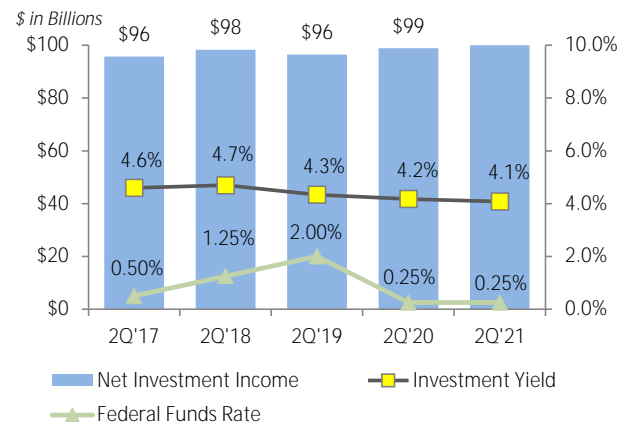


provides the industry's aggregate financial results for the life insurers that file with the NAIC on the Life/A&H quarterly blank for the first six months of 2021.

Overall, the life industry reported \$20 billion of net income, a 127% increase compared to the first six months of 2020.

Net premiums and deposits increased 10% to \$490 billion billion billion

Net investment income increased 2% (\$2 billion) to \$100 billion through the first half of 2021. Concurrently, the industry's annualized net investment yield decreased 0.1 percentage points to 4% as seen in



The Federal Reserve has not adjusted the federal funds interest rate from 0.00% to 0.25% since March 16, 2020.

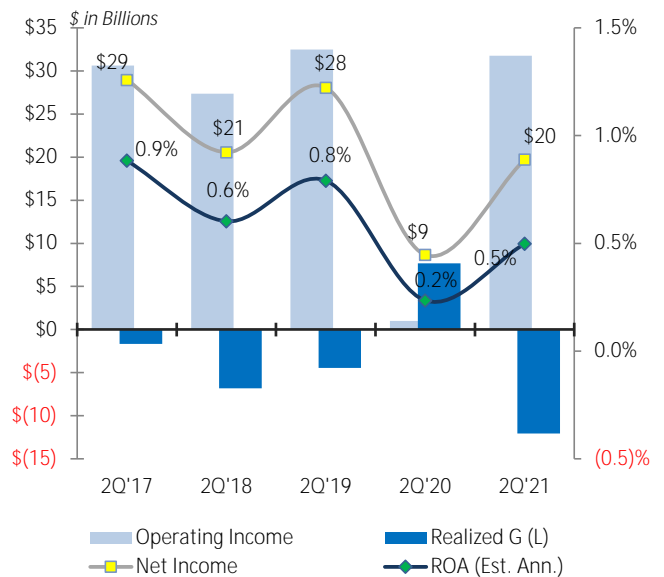
The industry's cash and adjusted invested asset* portfolio has increased steadily over the past ten years, increasing 2% from the prior year-end to \$4.7 trillion at June 30, 2021.

provides a breakdown of the industry's asset concentration and trend over the previous five years. The five-year increase was due primarily to a 2% (\$53 billion) increase in adjusted bonds*. Investment grade bonds accounted for 94% of total bonds as of June 30, 2021, unchanged compared to year-end 2020.

(\$ Change in Billions)

				20'17	20'18	20'19	20'20	20'21	20'21
Bonds*	18%	2%	\$3,418	\$3,364	\$3,265	\$3,129	\$2,917	\$2,892	
Preferred Stock*	73%	13%	\$16	\$14	\$12	\$12	\$11	\$9	
Common Stock*	32%	12%	\$44	\$39	\$38	\$38	\$36	\$33	
Mortgages*	33%	2%	\$609	\$596	\$587	\$549	\$495	\$459	
Real Estate	(4)%	(0)%	\$23	\$23	\$22	\$21	\$23	\$24	
BA Assets	55%	N/A	\$254	\$0	\$208	\$196	\$179	\$164	
Cash	173%	11%	\$130	\$117	\$144	\$86	\$77	\$48	
Short-term Investments	(41)%	(13)%	\$35	\$40	\$58	\$35			

Net income increased 127% (\$11 billion) as the industry reported net income of \$20 billion for the first six months of 2021. Premiums, annuity considerations and deposit increased 12% to \$351 billion while reserve adjustments on reinsurance ceded decreased 97% to \$(21) billion. Aggregate reserves increased \$38 billion in the first six months, compared to \$75 billion at second quarter 2020. Surrender benefits increased 12% (\$20 billion) to \$181 billion compared to second quarter 2020.



As illustrated in , the industry reported \$12 billion in realized capital losses for the first six months of 2021. The industry's return on assets (ROA) increased to 0.5% at June 30, 2021, from 0.2% at mid-year 2020. The ROA has been below 1% for the past five years, as seen on

