

# Pension Risk Transfer Monitor



Legal & General Retirement America

<h2 style="color: #0056b3;">\$10bn</h2> <p>Estimated Q3 2023 market size</p>	<h2 style="color: #0056b3;">2</h2> <p>Jumbo deals transacted in Q3</p>	<h2 style="color: #0056b3;">\$45bn</h2> <p>Estimated 2023 total market size</p>
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## Market update

Coming off the largest first half of the year on record for the US Pension Risk Transfer (PRT) market at \$22.5 billion<sup>1</sup>, the second half of the year brings forth another busy period for plan sponsors looking to offload their pension risk.

As mentioned in our [February PRT Monitor](#), the US Pension Benefit Guaranty Corporation participant rate that plan sponsors are obligated to pay was at a rising \$96 per plan participant and is now expected to increase to \$101 per participant for 2024<sup>2</sup>. With this increase in costs, sponsors may continue to view plan terminations and lift-outs as attractive pension risk transfer options.

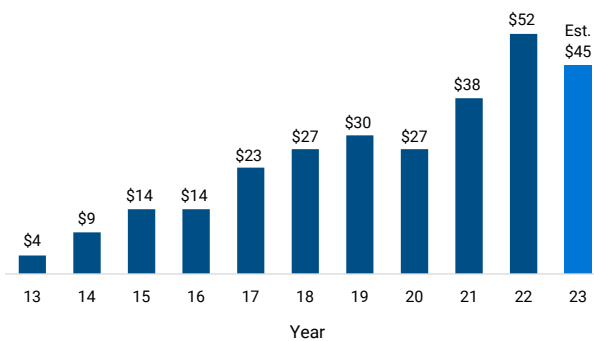
We estimate Q3 market volume to be around \$10 billion, which was driven by two jumbo deals following the four that closed earlier in the year. Year over year, Q3 totals

have been growing steadily, although last year's record Q3 total was largely due to a \$16 billion jumbo deal with IBM<sup>3</sup>.

Our estimate for total market volume in 2023 is around \$45 billion. While last year's record-breaking total was slightly higher at \$51.9 billion<sup>4</sup>, we continue to see steady momentum of PRT transactions and jumbo deals. As the number of jumbo deals continues to be a factor in the growth of the PRT market, the size of these deals is also a key driver in interpreting year over year differences in premium sold.

The future of the PRT market appears to be promising. Should the few jumbo deals we are seeing in the pipeline close in Q1 2024, it could result in an unparalleled first quarter, continuing the trend of rising Q1 market volumes and preparing us for another strong year ahead.

**US Total Market Volume (\$billions)**



Source: LIMRA Secure Retirement Institute Group Annuity Transfer Survey. 2023 figure based on Legal & General Retirement America's estimation.



## Contact us

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1. <https://www.limra.com/en/newsroom/news-releases/2023/limra-u.s.-pension-risk-transfer-sales-jump-31-in-second-quarter-2023/>  
 2. <https://www.pbgc.gov/prac/prem/premium-rates>

3. <https://www.pionline.com/pension-risk-transfer/ibm-offloads-16-billion-pension-liabilities-annuity-purchases>  
 4. <https://www.limra.com/en/newsroom/news-releases/2023/limra-2022-single-premium-buy-out-sales-topple-prior-record/>

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