



Legal & General's Global Pension Risk Transfer Monitor sees strong H1 2022 with UK market poised for second largest ever year

Global PRT-market momentum from record-breaking 2021 continues to rise

Legal & General Group's global Pension Risk Transfer (PRT) businesses – Legal & General Retirement Institutional (LGRi), the United Kingdom's longest-serving active pension risk transfer provider, and Legal & General Retirement America (LGRA), a leading provider of pension risk solutions in the United States – today released the latest edition of the Global PRT Monitor, which analyses industry trends and market outlooks in the UK and US.

The Monitor reported a strong start to 2022 for both markets. In the UK, we expect the volume in the first half of 2022 to be around £12 billion, which represents a c.50 percent increase compared to the first half of 2021. Legal & General expects the overall volume in 2022 will reach £30-35 billion and is likely to be the second largest year ever in the UK market. The volume could potentially exceed £35 billion depending on the number of large transactions that complete this year.

In the US, the first half of the year is expected to be the strongest to date at approximately \$18 billion in total market volume. This is significantly higher than what is typically seen in H1, and nearly double the 2020 and 2021 H1 totals. Both the first and second quarter this year were also record-breakers at \$5.3 billion and an estimated \$13.0 billion, respectively.

Growth in the US market was driven, in part, by large transactions. Five transactions over \$1 billion came to market in the first half of the year and more are expected to close in H2, which could result in another significant year for the US market.

The complete Legal & General PRT H1 Monitor US and UK PRT Market Overview can be found [here](#).

Chris DeMarco, Managing Director, Pension Risk Transfer, Legal & General Retirement Institutional

“The PRT sector in the UK is yet again proving itself to be an exciting and valuable contributor to the national economy. Thanks to favourable market conditions pension scheme funding levels are improving and buyout affordability is increasing. Insurers are working hard to meet the increased demand from pension schemes and we expect transaction volumes to continue to grow in future years. Our message for pension schemes considering a buy-in or buyout transaction in this busy market is simple – schemes who engage insurers early, have flexible timeframes and have prepared thoroughly put themselves in the best position to secure a transaction which best meets their needs.”

George Palms, President, Legal & General Retirement America

“Last year was record-breaking for the US PRT market and we have seen even greater momentum carry through the first six months of 2022 – with the strongest H1 to date. We've already seen a significant number of transactions over \$1 billion and expect additional large transactions in the coming months. As we've seen in previous Monitors, we anticipate plan terminations to continue to dominate the US market. While it's too early to tell exactly how large 2022 will be, we expect this year's total market volume to be greater than last year – making 2022 another historical year in the market.”

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With almost £1.3 trillion in total assets under management*, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, alternative asset origination, life insurance, workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

About Legal & General Retirement Institutional

Legal & General Retirement Institutional (LGRI) works with trustees and sponsoring companies of defined benefit (DB) pension schemes of all sizes to settle their pension obligations and secure scheme members' benefits, through a full range of buy-ins, buyouts and other de-risking solutions.

Our UK Retirement annuity book stands at over £89 billion as at 9 March 2022, of which over £28 billion is invested in direct investments that deliver positive social and environmental impacts, such as clean energy and affordable housing.

Our Client Services' 12-month rolling Net Promoter Score (NPS) is above +70, which is widely regarded as being at a "world class" level.

About Legal & General Retirement America

Legal & General Retirement America (LGRA) specializes in customized pension risk solutions for institutional clients in the US market. Established in 2015, Legal & General Retirement America is a business unit of Legal & General America, Urbana, MD. Legal & General America life insurance and retirement products are underwritten and issued by Banner Life Insurance Company, Urbana, MD and William Penn Life Insurance Company of New York, Valley Stream, NY. Banner products are distributed in 49 states, the District of Columbia and Puerto Rico. William Penn products are distributed exclusively in New York; Banner does not solicit business there. The Legal & General America companies are part of the worldwide Legal & General Group.

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