



The NAIC Capital Markets Bureau monitors developments in the capital markets globally and analyzes their potential impact on the investment portfolios of U.S. insurance companies. Previously published [NAIC Capital Markets Bureau Special Reports](#) are available via its web page and the NAIC archives (for reports published prior to 2016).

## Private Equity-Owned U.S. Insurer Investments Increased at Year-End 2024

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### Executive Summary

- At year-end 2024, the number of private equity (PE)-owned U.S. insurers identified by the NAIC Capital Markets Bureau was 137, which was the same as year-end 2023, and it increased to 139 at June 2025.
- Total cash and invested assets for the 137 PE-owned insurers at year-end 2024 increased about 16% based on year-end 2024 NAIC annual statement filings to \$704.3 billion, representing 7.8% of *all* U.S. insurers' total cash and invested assets.
- As reported by U.S. insurers, bonds and mortgages continue to be the two largest asset types for PE-owned U.S. insurers, at 61% and 20% of their total cash and invested assets, respectively, at year-end 2024.
- Consistent with previous years, corporate bonds were the largest bond type in terms of book/adjusted carrying value (BACV), but they continued declining as a proportion of total bonds to 47% at year-end 2024 from 48% at year-end 2023.
- From 2023 to 2024, the BACV of asset-backed securities and other structured securities increased, as well as their percentage of total bonds held by PE-owned insurers.
- As in prior years, and similar to the overall U.S. insurer bond investments portfolio, more than 90% of PE-owned insurers' bond investments carried NAIC 1 and NAIC 2 designations, implying high credit quality.
- Investment in other long-term invested assets reported in Schedule BA increased by double digits for PE-owned insurers, while short-term investments reported in Schedule DA decreased.

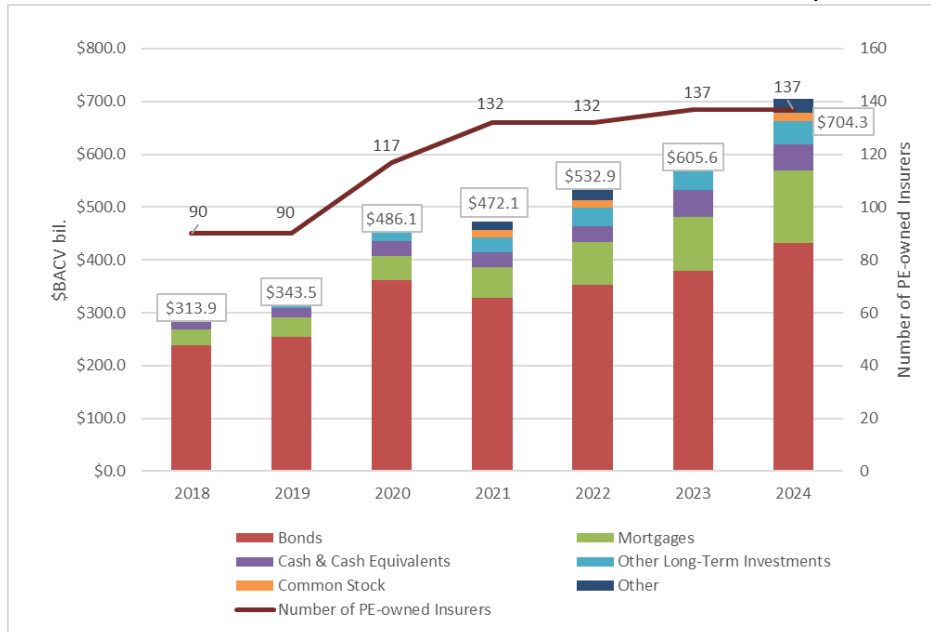
The NAIC Capital Markets Bureau identifies U.S. insurers that are private equity (PE)-owned via a relatively manual process. First, it identifies insurers that reported any percentage of ownership by a PE firm in Schedule Y of the annual statement filings submitted to the NAIC. Further identification includes third-



party sources and information shared with the NAIC directly from state regulators. Thus, the known number of U.S. insurers that are PE-owned continues to evolve.<sup>1</sup>

At year-end 2024, the number of PE-owned U.S. insurers was unchanged from 137 at year-end 2023 and represented a 50% increase from the 90 PE-owned U.S. insurers identified in 2018. (Refer to Chart 1.) In addition, two more U.S. insurers were identified as PE-owned as of June 2025, bringing the total number to 139. Note that all U.S. insurer investments data utilized in this special report update (including those of PE-owned U.S. insurers) is based on the annual statement filings submitted by insurers to the NAIC, unless otherwise noted.

**Chart 1: Number of PE-Owned U.S. Insurers and Total Investments, 2018–2024 (\$ bil. BACV)**



According to year-end 2024 annual statement filings from U.S. insurers, total cash and invested assets for PE-owned U.S. insurers increased by about 16% to \$704.3 billion in book/adjusted carrying value (BACV), from \$605.7 billion at year-end 2023. (Refer to Table 1 and Table 2.) In addition, the BACV of total cash and invested assets for PE-owned insurers increased slightly to 7.8% of the U.S. insurance industry's almost \$9 trillion total cash and invested assets at year-end 2024, from about 7% at year-end 2023. As in previous years, life insurers comprised almost all PE-owned insurers' total cash and invested assets at year-end 2024, or 96% of the total, representing a small increase from 95% at year-end 2023. Property/casualty (P/C) insurers accounted for 4% of total cash and invested assets at year-end 2024, while title and health insurers accounted for less than 1%. From 2018, when the NAIC first began identifying PE-owned U.S. insurers, through year-end 2024, not only did the number of PE-owned insurers increase by approximately 50%, but total investments for PE-owned U.S. insurers also more than doubled.

<sup>1</sup> The names of particular U.S. insurers that are PE-owned is proprietary and available only to state insurance regulators.

**Table 1: PE-Owned U.S. Insurer Investments as of Year-End 2024 (\$ bil. BACV)**

Asset Type	Life	P/C	Title & Health	Total	Pct of Total
Bonds	408.3	22.4	0.5	431.3	61%
Mortgage Loans	137.9	0.1	0.0	138.0	20%
Cash & Cash Equivalents	47.3	1.8	0.5	49.7	7%
Other Long-Term Investments	42.5	0.6	0.0	43.1	6%
Common Stock	13.9	3.1	0.0	17.0	2%
Derivatives	10.2	0.0	0.0	10.2	1%
Contract Loans	6.6	0.0	0.0	6.6	1%
Preferred Stock	4.2	0.1	0.0	4.3	1%
Other*	4.0	0.1	0.0	4.1	1%
<b>Grand Total</b>	<b>675.0</b>	<b>28.2</b>	<b>1.2</b>	<b>704.3</b>	<b>100%</b>
Pct of Total	96%	4%	0.00	100%	0%

\*Other includes aggregate write-ins, receivables for securities, and real estate.

Note: Percentages may not total 100% due to rounding.

**Table 2: PE-Owned U.S. Insurer Investments as of Year-End 2023 (\$ bil. BACV)**

Asset Type	Life	P/C	Title & Health	Total	Pct of Total
Bonds	359.3	19.8	0.4	379.6	63%
Mortgages	102.1	0.4	0.0	102.5	17%
Cash & Cash Equivalents	47.8	2.4	0.5	50.6	8%
Other Long-Term Investments	36.0	0.7	0.0	36.7	6%
Common Stock	12.2	3.1	0.0	15.3	3%
Derivatives	7.1	0.0	0.0	7.1	1%
Contract Loans	6.4	0.0	0.0	6.4	1%
Preferred Stock	3.6	0.1	0.0	3.6	1%
Other*	3.7	0.1	0.0	3.8	1%
<b>Total</b>	<b>578.2</b>	<b>26.5</b>	<b>1.0</b>	<b>605.7</b>	<b>100%</b>
Pct of Total	95%	4%	0%	100%	

\*Other includes receivables for securities and real estate.

Note: Percentages may not total 100% due to rounding.

At year-end 2024, 28 PE-owned insurers were also Federal Home Loan Bank (FHLB) members, 20 of which were life insurers. According to NAIC annual statement filings, the total maximum FHLB advances borrowed by PE-owned insurers were almost \$27 billion in 2024, and at year-end 2024, they had close to \$26 billion in outstanding FHLB advances, representing 16% of all U.S. insurers' total outstanding FHLB advances.

### Decline in Percentage of Bonds Countered by Increase in Percentage of Mortgages

Bonds continue to dominate PE-owned insurers' investments, increasing to a total of \$431.3 billion in BACV at year-end 2024 from approximately \$380 billion at year-end 2023. However, as a percentage of total PE-owned insurer investments, bonds declined to 61% at year-end 2024 from 63% at year-end 2023. Offsetting this decrease was an increase in mortgages to 20% of total PE-owned investments at year-end 2024, totaling \$138 billion in BACV, from 17%, or \$102.5 billion in BACV, at year-end 2023. (Refer to Chart 2.) Since at least 2021, exposure to bonds has been steadily declining as a percentage of total cash and invested assets, while exposure to mortgages has steadily increased. Bonds have also historically been the largest asset type for the overall U.S. insurance industry and were approximately 60% of total cash and



invested assets for all U.S. insurers at year-end 2024. (Refer to the special report published by the NAIC Capital Markets Bureau, [“U.S. Insurance Industry’s Cash and Invested Assets Rise Over 5% to Close in on \\$9 Trillion as of Year-End 2024,”](#) in May 2025.)

Mortgages have maintained their position as the second-largest asset type for PE-owned U.S. insurers, increasing steadily over the last several years. The increase in mortgage exposure may be due in part to an attractive return when compared to more traditional asset types, as well as the generally more attractive asset-liability match for life insurers. Mortgages are the third-largest investment for the overall U.S. insurance industry and were 9% of all U.S. insurers’ total cash and invested assets at year-end 2024, having increased from about 6% in 2010. As in prior years, cash and cash equivalents were the third-largest asset type for PE-owned insurers, and they decreased to \$49.7 billion, or 7% of total cash and invested assets at year-end 2024, from \$50.6 billion, or 8% of total cash and invested assets at year-end 2023. Common stock held by PE-owned insurers at year-end 2024 was only 2% of their total cash and invested assets, compared to being the second largest asset type and 13% of total cash and invested assets for *all* U.S. insurers. The smaller exposure for common stock among PE-owned insurers is largely due to life insurers accounting for the majority of PE-owned insurers, and P/C insurers have a larger exposure to common stock than life insurers.

### Corporate Bonds Remain the Largest Bond Type

In addition to being the largest bond type for all U.S. insurers, and consistent with previous years’ trends, corporate bonds were the largest bond type among PE-owned U.S. insurers at year-end 2024. Although there was an increase in BACV to \$201.2 billion at year-end 2024 from \$183.8 billion at year-end 2023, corporate bonds decreased slightly as a percentage of total bonds held by PE-owned insurers to 47% at year-end 2024, from 48% of total bonds at year-end 2023. (Refer to Table 3.) For *all* U.S. insurers, corporate bonds have historically been the largest bond type, and they were 55% of total bonds at year-end 2024.

**Table 3: PE-Owned U.S. Insurer Bond Investments, Year-End 2023 and 2024 (\$ bil. BACV)**

Bond Type	Pct of 2024 Total PE- Owned Bonds		Pct of 2023 Total PE- Owned Bonds		Pct of All Insurers Bonds 2024	
	2024		2023		All U.S. Insurers Total Bonds 2024	
Corporate Bonds	201.2	47%	183.8	48%	2,979.6	55%
ABS and Other Structured Securities	133.0	31%	110.5	29%	699.3	13%
CMBS	28.5	7%	24.1	6%	206.0	4%
RMBS	19.4	4%	16.4	4%	144.9	3%
U.S. Government	14.1	3%	11.1	3%	366.1	7%
Municipal Bonds	13.2	3%	15.6	4%	434.3	8%
Agency Backed RMBS	11.0	3%	7.6	2%	306.5	6%
Bank Loans	6.9	2%	6.5	2%	122.7	2%
Foreign Government	2.4	1%	2.5	1%	69.8	1%
Agency Backed CMBS	1.3	0%	1.3	0%	79.3	1%
ETF	0.3	0%	0.0	0%	13.1	0%
<b>Total</b>	<b>431.3</b>	<b>100%</b>	<b>379.4</b>	<b>100%</b>	<b>5,421.6</b>	<b>100%</b>

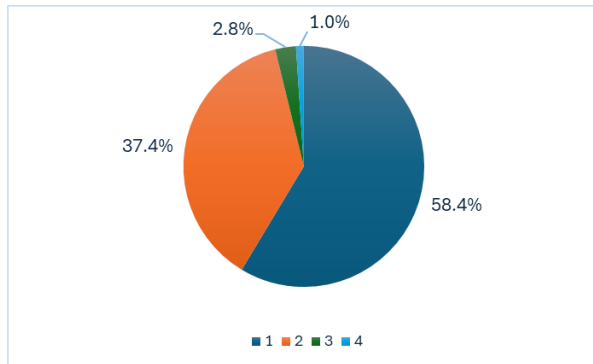


Asset-backed securities (ABS) and other structured securities were the second-largest bond type for PE-owned insurers at year-end 2024, similar to previous years. ABS and other structured securities increased to \$133 billion at year-end 2024, from \$110.5 billion at year-end 2023. Offsetting the decrease in percentage of corporate bonds, the percentage of ABS and other structured securities increased to 31% of total PE-owned bond investments in 2024 from 29% the prior year. In comparison, while ABS and other structured securities were also the second-largest bond type for *all* U.S. insurers, they comprised 13% of all U.S. insurers' total bond investments.

Other bond types that comprised a larger allocation among PE-owned insurers than the overall U.S. insurance industry include private label commercial mortgage-backed securities (CMBS) and private label residential mortgage-backed securities (RMBS). For PE-owned insurers, CMBS and RMBS totaled 11% of bond investments, whereas they were 7% of total bonds for all U.S. insurers. ABS, private label CMBS, and private label RMBS represent investments in nontraditional or alternative assets, with more complex structures, and as a result, they generally have higher yields due to the associated risk. Furthermore, exposure to municipal bonds for PE-owned insurers, which are considered relatively safe fixed-income investments, decreased to \$13.2 billion at year-end 2024, or 3% of total bonds, from \$15.6 billion, or 4% of total bonds at year-end 2023. In comparison, for all U.S. insurers, municipal bonds were 8% of total bonds at year-end 2024. Municipal bonds are also more heavily invested by P/C companies, which in part contributes to the lower exposure among PE-owned insurers. Since a higher concentration of nontraditional, higher-yielding bonds exists for PE-owned insurers compared to the overall U.S. insurance industry, there is potential for increased volatility and risk for PE-owned insurer investment portfolios.

### PE-Owned Insurers Bond Investments Carry High Credit Quality

At year-end 2024, there was no change in PE-owned insurers' bond credit quality from year-end 2023. That is, about 96% of bonds held by PE-owned insurers carried NAIC 1 and NAIC 2 designations (refer to Chart 2), implying high-grade credit quality and investment-grade credit quality, which was the same as year-end 2023. In addition, bonds carrying NAIC 1 designations were 58% of total PE-owned bonds in both 2023 and 2024, and those carrying NAIC 2 designations were about 37% of total bonds in both years. The remaining 4% of bond investments for PE-owned insurers carried NAIC 3 and NAIC 4 designations. Similarly, for corporate bonds specifically, 97% of those held by PE-owned insurers carried NAIC 1 and NAIC 2 designations at year-end 2024 and year-end 2023, with the remaining 3% carrying NAIC 3 and NAIC 4 designations.

**Chart 2: PE-Owned Bond Investments' Credit Quality—NAIC Designations, Year-End 2024**

For ABS and other structured securities held by PE-owned insurers, those carrying NAIC 1 and NAIC 2 designations increased to 95% of the total at year-end 2024, from 90% at year-end 2023. In particular, 70% carried NAIC 1 designations while 25% carried NAIC 2 designations. Over the last few years, data from the NAIC annual statement filings show that the proportion of ABS and other structured securities with NAIC 1 designations held by PE-owned insurers has been rising from about 60% in 2021. Conversely, the proportion of ABS and other structured securities held by PE-owned insurers with NAIC 2 designations has been declining from 33% in 2021. Notwithstanding, the high concentration of NAIC 1 and NAIC 2 designated ABS and other structured securities held by PE-owned insurers perhaps mitigates concern over the higher investment concentration in these nontraditional bonds (as compared to the overall U.S. insurance industry), including any potential credit concerns that could arise when the markets experience volatility.

### Increase in Other Long-Term Investments (Schedule BA)

PE-owned insurers' investments in Schedule BA—Other Long-Term Invested Assets totaled \$43.1 billion at year-end 2024, which was a 17% increase from \$36.7 billion at year-end 2023. In addition, PE-owned insurers' other long-term investments increased to 7.5% of total other long-term investments held by *all* U.S. insurers (about \$578 billion in BACV) at year-end 2024, from 6% at year-end 2023. The BACV of PE-owned insurers' other long-term investments has been steadily increasing since 2018, yet has remained at 6% of PE-owned insurers' total cash and invested assets since 2021. *Unaffiliated* other long-term investments totaling \$14.4 billion, represented about 33% of the total for PE-owned U.S. insurers at year-end 2024. While this represents an increase in BACV from \$13.1 billion at year-end 2023, it decreased from 36% of total PE-owned other long-term investments at year-end 2023. This means that the proportion of *affiliated* Schedule BA investments increased for PE-owned insurers to 67% of the total at year-end 2024 from 64% at year-end 2023. For the overall U.S. insurance industry, the proportion of *affiliated* other long-term investments was much smaller at 48% of the total at year-end 2024.

The largest other long-term investment asset type among PE-owned insurers continues to be collateral loans, at \$19.2 billion at year-end 2024, or 45% of the total (refer to Table 4). This represents an increase from \$15 billion, or 41% of total other long-term investments for PE-owned insurers, at year-end 2023. The second largest asset type among PE-owned insurers' other long-term investments was common



stock—joint venture (JV), or private equity, at approximately \$12 billion at year-end 2024, having increased from \$10.4 billion at year-end 2023. Notwithstanding the increase in BACV, PE-owned insurers' investment in private equity was 28% of total other long-term investments in both years. For *all* U.S. insurers, private equity investments comprised the largest other long-term investment asset type at 37% of the total in 2024, whereas collateral loans were the fourth largest at 5% of the total. Hedge funds (Other—JV) and real estate—JV investments comprised only 9% of PE-owned insurers' other long-term investments at year-end 2024, but they represented an aggregate 37% of total long-term investments for all U.S. insurers.

**Table 4: Top Six Schedule BA Collateral Types for PE-Owned Insurers, Year-End 2024**

Asset Type	\$BACV bil.	% of Total
Collateral Loans	19.2	45%
Common Stock - JV (private equity)	12.0	28%
Fixed Income Instruments - Residual Tranches	2.3	5%
Other - JV (hedge funds)	2.3	5%
Surplus Debentures	2.0	5%
Real Estate - JV	1.8	4%
<b>Top 6 Total</b>	<b>39.6</b>	<b>92%</b>
Total Schedule BA for PE-Owned Insurers	43.1	100%

### Percentage of Short-Term Investments Held by PE-Owned Insurers Continues to Decrease

Over the last few years, the *percentage* of PE-owned insurers' short-term investments as reported by U.S. insurers in Schedule DA has been declining, down to 6.7% of total short-term investments held by *all* U.S. insurers at year-end 2024, from 8% at year-end 2023 and 10.5% at year-end 2022. However, at year-end 2024, PE-owned U.S. insurers held about \$15.8 billion in short-term investments, increasing from \$12.2 billion at both year-end 2023 and year-end 2022. Further, about \$9.3 billion of short-term investments held by PE-owned insurers at year-end 2024 were reported as *affiliated* investments, which increased from \$2.9 billion at year-end 2023. In comparison, for *all* U.S. insurers, about \$10 billion, or 4% of the total \$236.1 billion in short-term investments reported in Schedule DA, were affiliated investments.

### PE Firms and the U.S. Insurance Industry

PE firms were initially attracted to the steady source of premium income from insurers in the lower-for-longer interest rate environment, as well as the opportunity to add to assets under management and generate fee income from investment management opportunities. PE-owned insurers may leverage the capital markets networks, investment management capabilities, and infrastructure of their parent company for investment opportunities. This includes investments in higher-risk and less liquid assets that not only may have higher returns but also the potential for increased volatility. Because of the increased activity with PE firms acquiring U.S. insurers, state insurance regulators established an initiative to assess any risks associated with the business model. The Macroprudential (E) Working Group of the NAIC's Financial Stability (E) Task Force created and maintains the [List of 13 PE Considerations](#) to review activities



associated with PE-owned insurers. Moreover, the investment activity of all insurers, whether PE-owned or not, must abide by applicable state insurance laws, including laws relating to investments.

The NAIC Capital Markets Bureau will continue to monitor trends in PE-owned U.S. insurer investments and report as deemed appropriate.

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Questions and comments are always welcome. Please contact the Capital Markets Bureau at [CapitalMarkets@naic.org](mailto:CapitalMarkets@naic.org).

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