S&P Dow Jones Indices

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Research

ETFs in Insurance General Accounts – 2026

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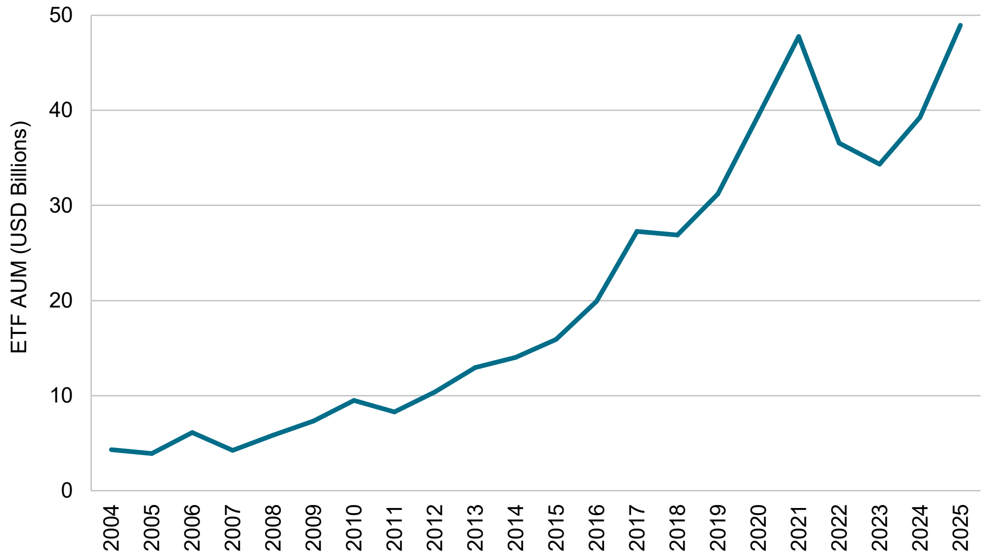
Introduction

In 2025, U.S. insurers held USD 49 billion in ETFs. The upward trend from 2024 continued in 2025, leading to a record high in ETF holdings. For the second consecutive year, we saw significant inflows, which, coupled with market gains, led to a 25% increase in ETF assets under management (AUM) from the prior year.

In our 11th annual study of exchange-traded fund (ETF) usage in U.S. insurance general accounts, we review ETF usage across various types of companies and across different asset classes. We also analyze how trading patterns have varied over the years.

Exhibit 1: ETF AUM Growth



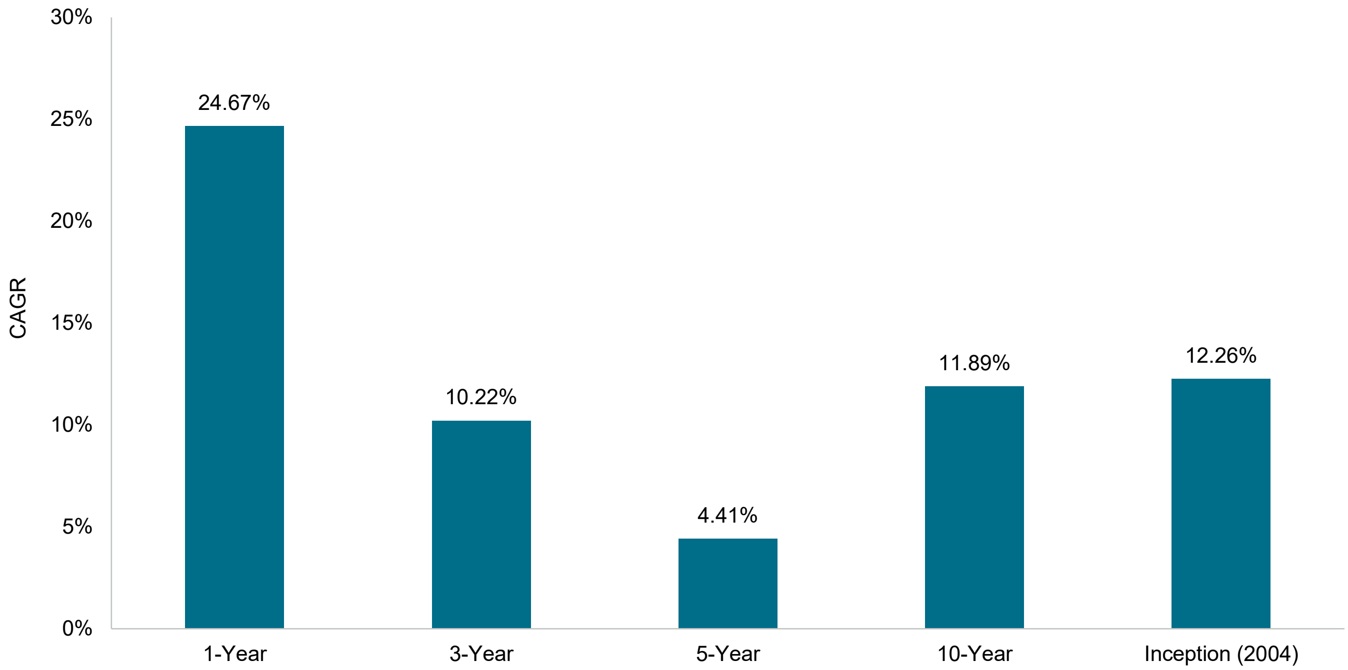
Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Holding Analysis

U.S. insurance companies held USD 49 billion in ETFs at the end of 2025, an increase of USD 10 billion from one year prior. This is a small portion of the USD 13.5 trillion in U.S. ETF AUM[1] and USD 14.1 trillion of assets in U.S. insurance general accounts.[2] As a result, the behavior of individual companies can have an influence on the results that is more idiosyncratic in nature. Exhibit 1 shows the use of ETFs by U.S. insurers over more than 20 years.

2025 saw a large ETF AUM increase of 25%, doubling the growth rate since inception. In a reversal from recent years, the three-year compound annual growth rate (CAGR) turned positive (see Exhibit 2).

Exhibit 2: CAGR of ETF AUM



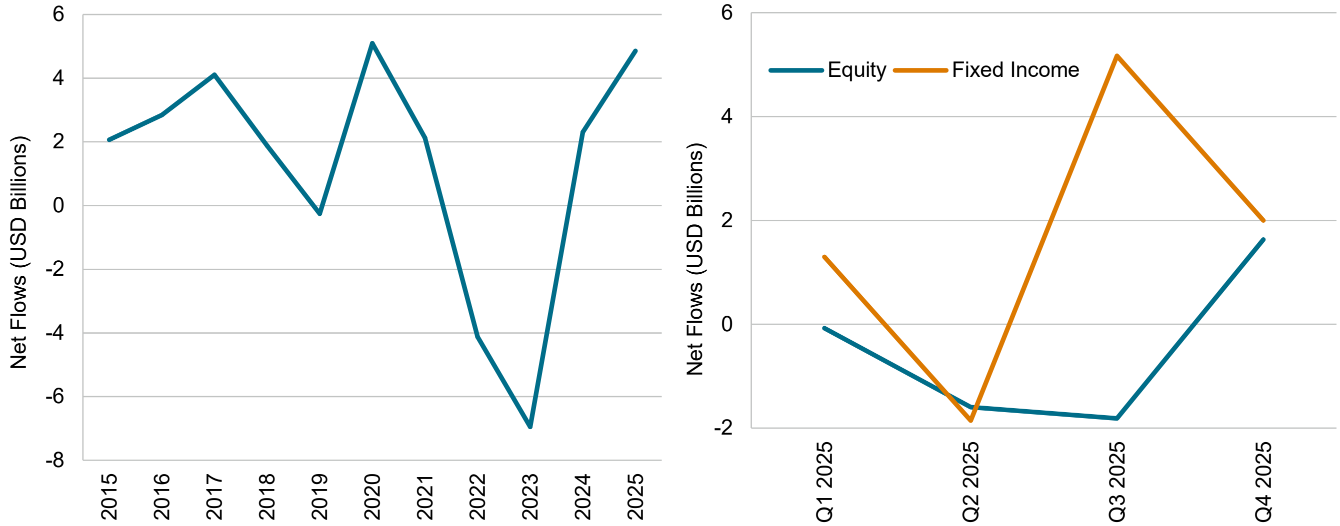
Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Insurers accounted for USD 4.9 billion in ETF net flows in 2025, the second-largest annual increase since 2015. Equity outflows were offset by both valuation increases over the course of the year as well as a large inflow in Q4. Flows into Fixed income were positive, with the exception of Q2 (see Exhibit 3). The Q1 inflows and Q2 outflows in fixed income were driven by one Mega insurer.

[1] Source: CFRA. Data as of Dec. 31, 2025.

[2] Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025.

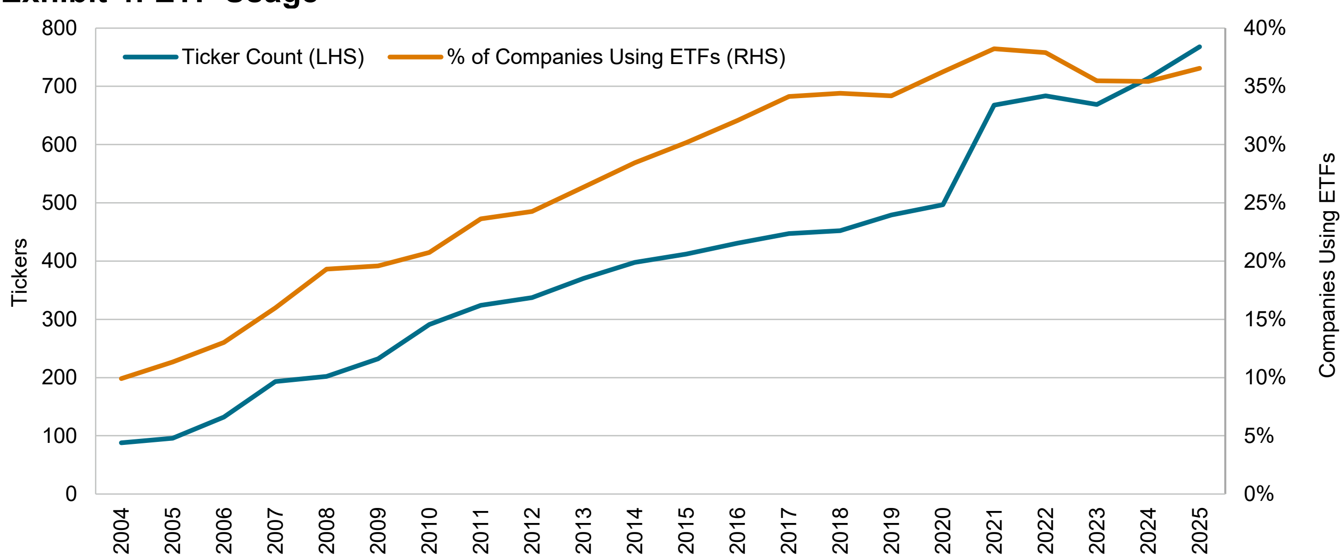
Exhibit 3: ETF Net Flows



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

For the first time in four years, there was an increase in both the number of companies using ETFs, rising to 643, representing 37% of all insurers, as well as the number of tickers used by insurers, up to 768 (see Exhibit 4).

Exhibit 4: ETF Usage

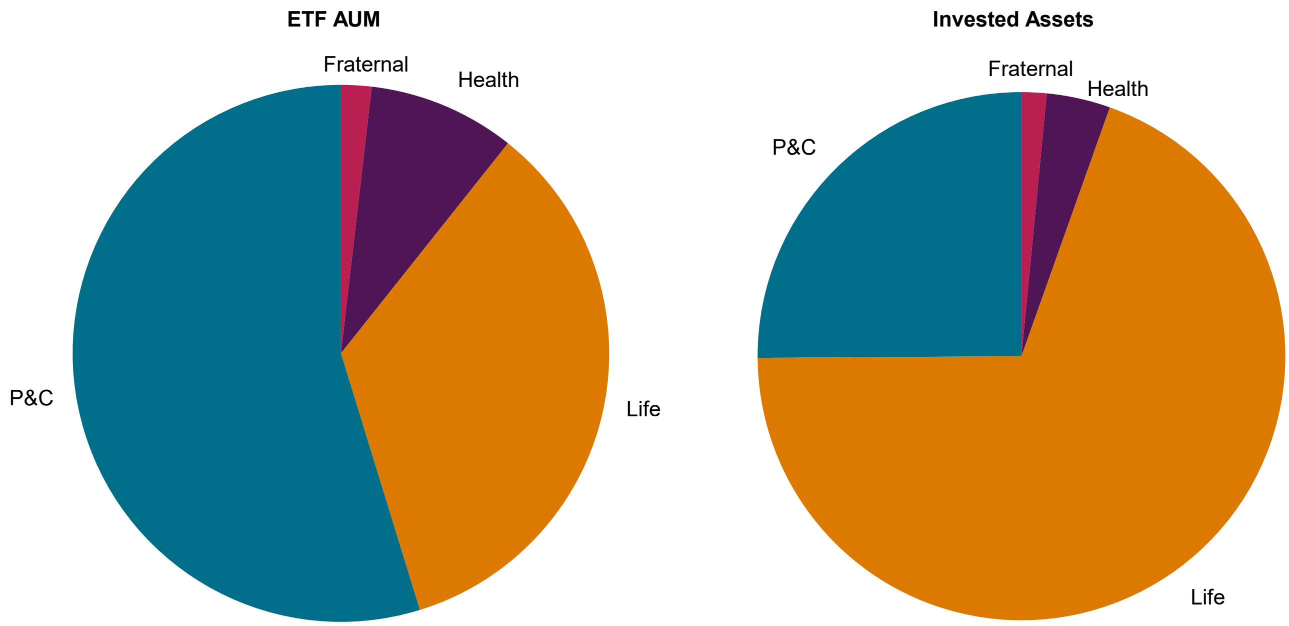


Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Analysis by Company Type and Size

P&C companies held an outsized proportion of ETFs among U.S. insurance companies, while Life insurers had a larger invested asset base.

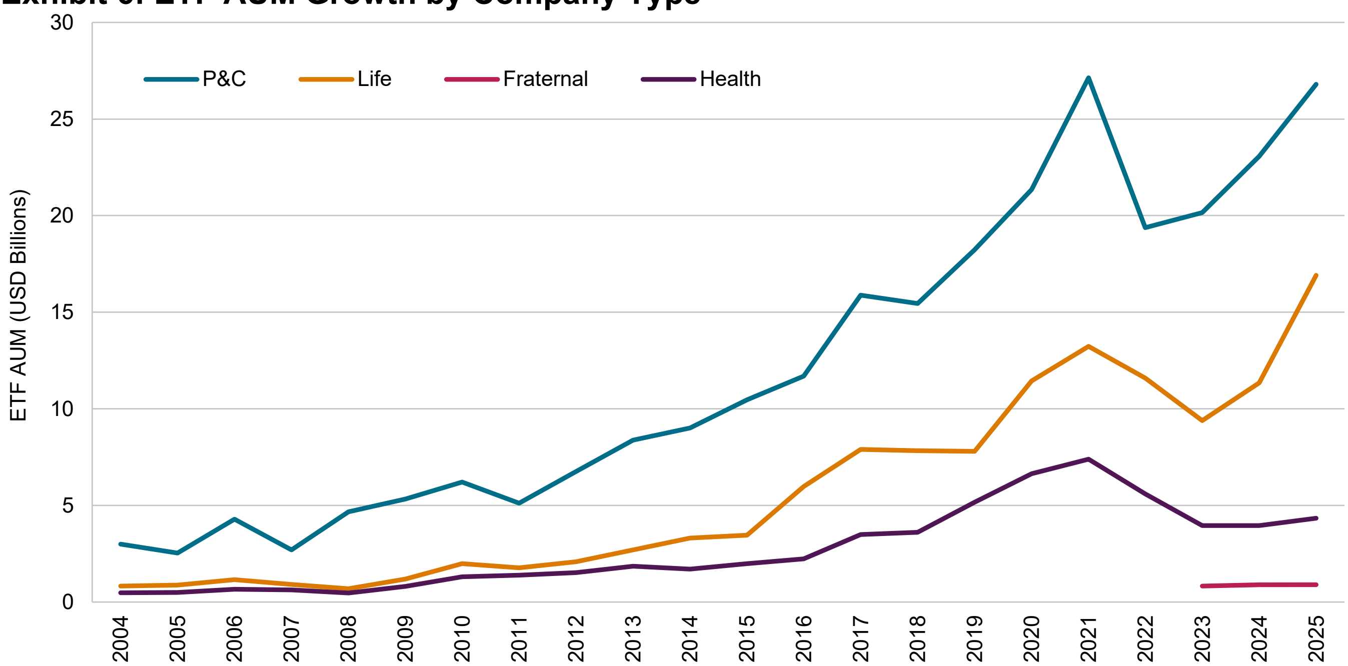
Exhibit 5: ETF AUM and Invested Assets by Company Type



Source: NAIC via S&P Global Market Intelligence and CFRA. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

All company types saw increases in ETF AUM in 2025. Health companies, which saw no gains in 2024, experienced a modest increase in ETF holdings (see Exhibit 6).

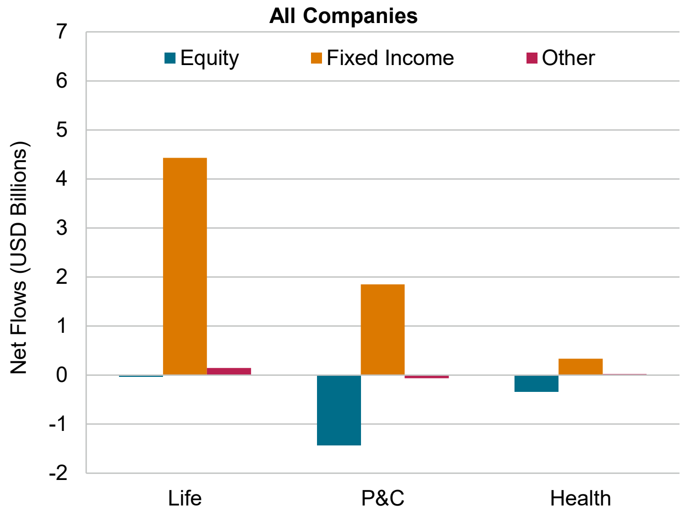
Exhibit 6: ETF AUM Growth by Company Type

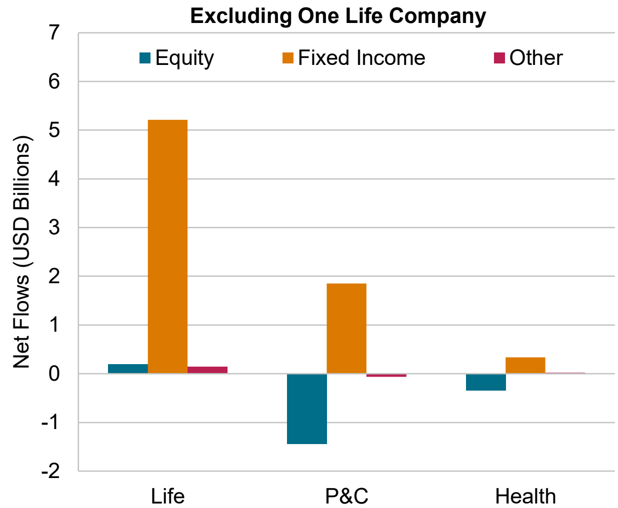


Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Life, P&C and Health companies recorded inflows of USD 4.5 billion, USD 352 million, and USD 17 million, respectively. If one Life company were excluded from the analysis, equity flows would have been positive and fixed income flows would have increased slightly (see Exhibit 7).

Exhibit 7: ETF Net Flows by Company Type and Asset Class

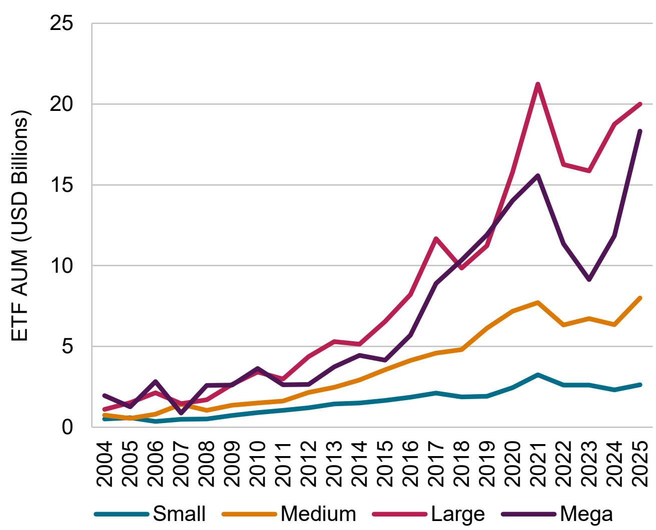


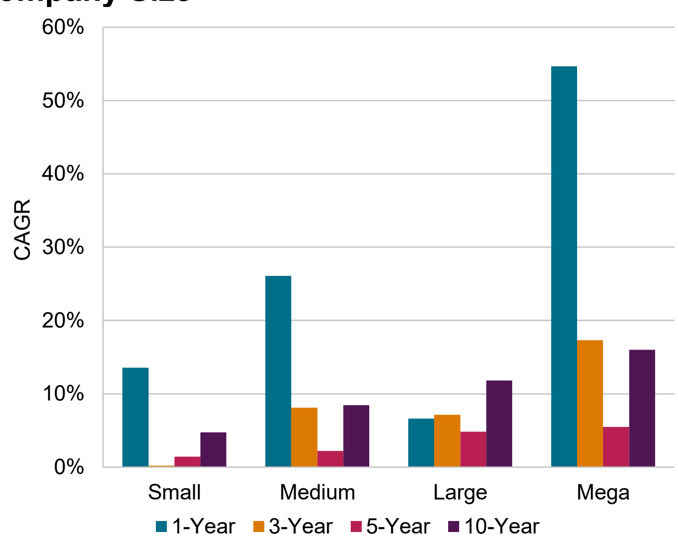


Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

ETF assets were concentrated among larger insurers, with a 55% AUM growth rate for Mega companies. In a reversal from 2024, 2025 ETF assets also rose among small- and medium-sized companies, with an AUM growth rate of 14% and 26%, respectively (see Exhibit 8).

Exhibit 8: ETF AUM Growth and CAGR by Company Size

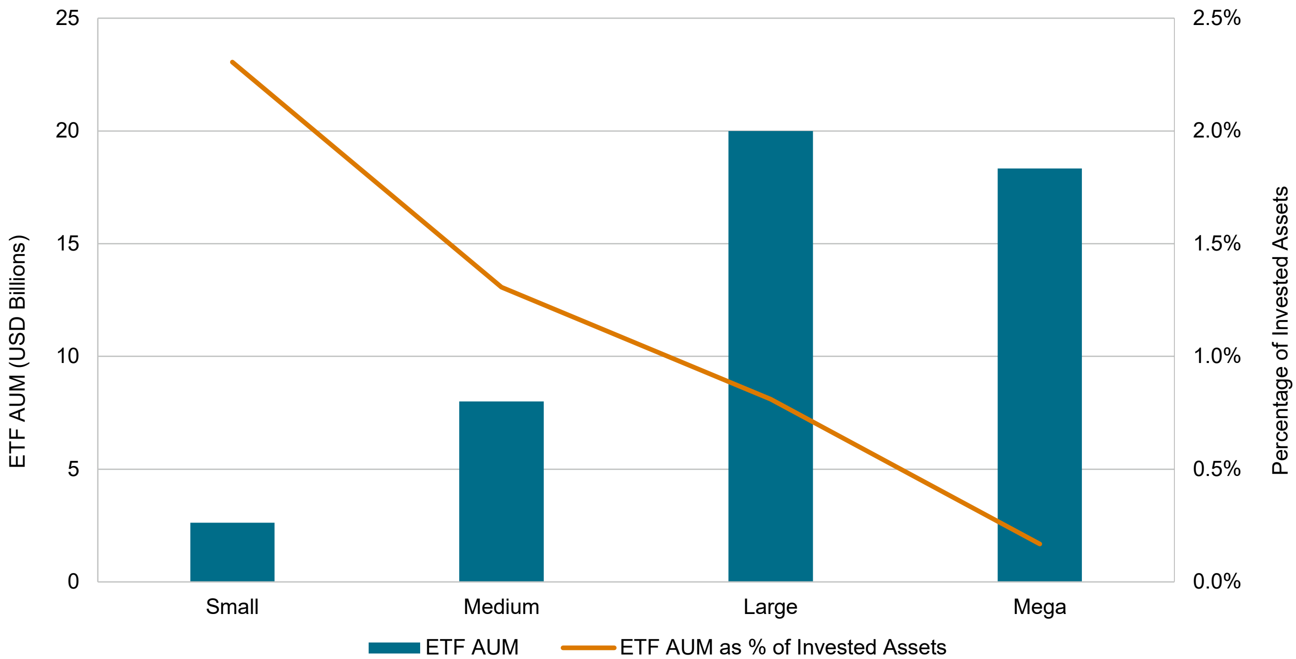




Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

The gap in ETF AUM between Large and Mega companies narrowed in 2025. However, ETFs remained a much greater percentage of invested assets in smaller insurers (see Exhibit 9).

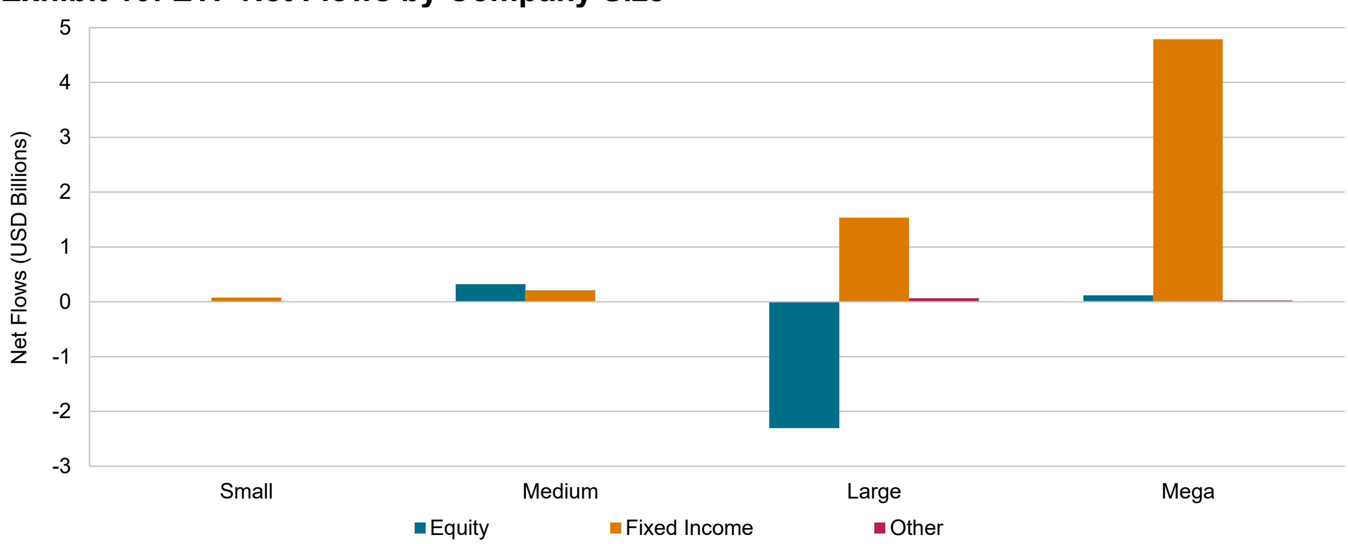
Exhibit 9: ETF AUM as Percentage of Invested Assets by Company Size



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

In 2025, companies of all sizes witnessed net inflows into Fixed Income ETFs, led by Mega companies. Equity ETF flows were mixed, with outflows from Large companies and slight inflows among its other size peers (see Exhibit 10).

Exhibit 10: ETF Net Flows by Company Size

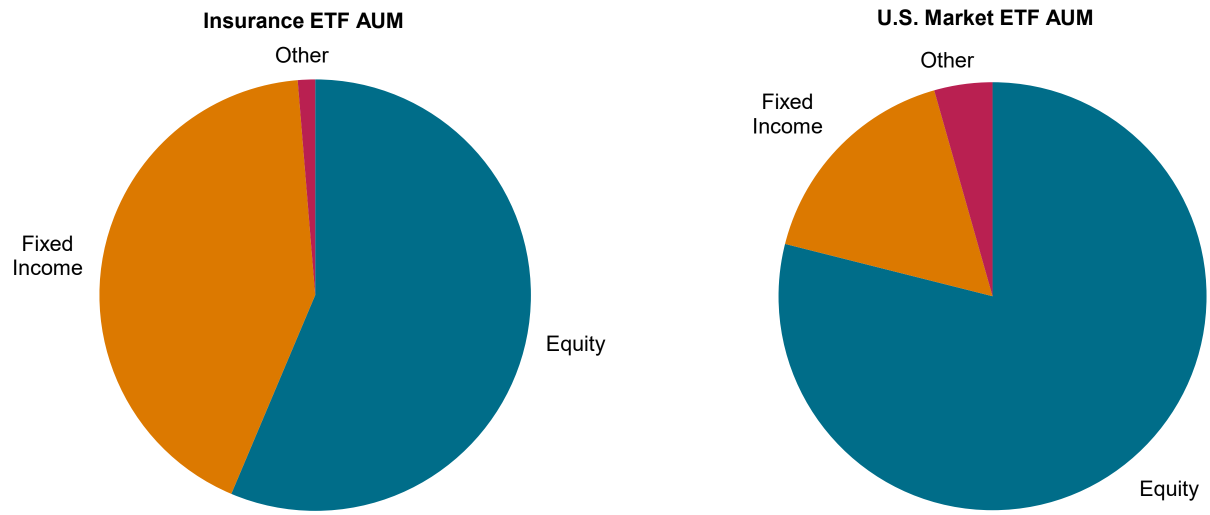


Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

Analysis by Asset Class

Consistent with previous years, Fixed Income made up 17% of all ETF AUM in the overall U.S. ETF market at the end of 2025. However, among insurance general accounts, they comprised 42% (see Exhibit 11), higher than the 35% in 2024 and below the long-term average of 22%.

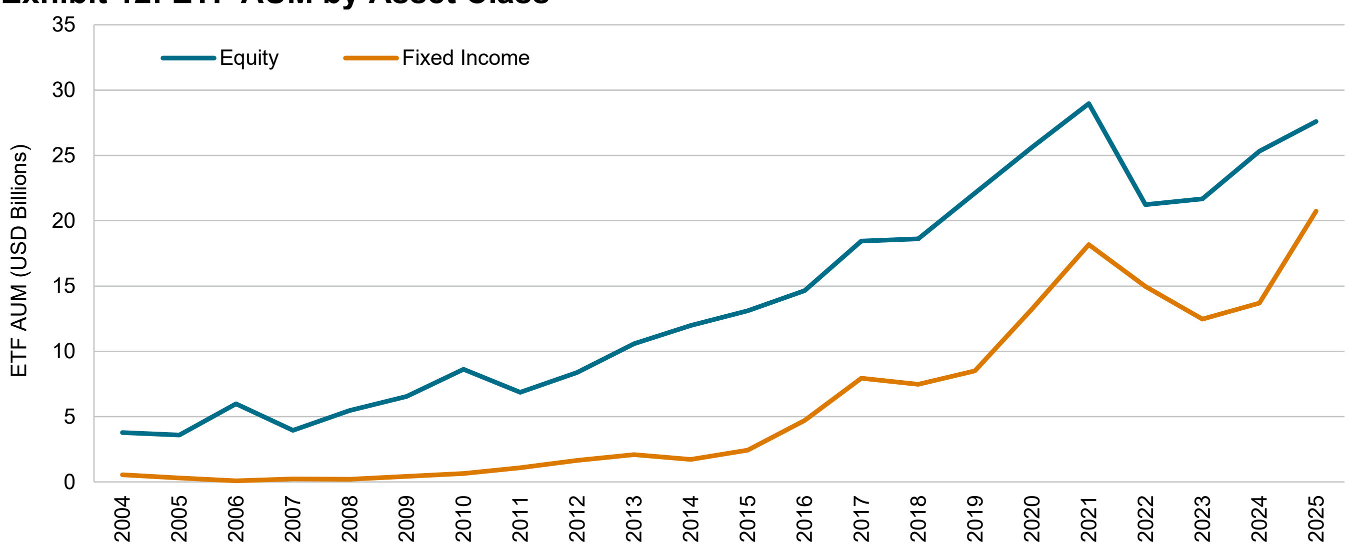
Exhibit 11: Insurance and U.S. Market ETF AUM by Asset Class



Source: NAIC via S&P Global Market Intelligence and CFRA. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

Equity AUM increased from last year, primarily aided by valuation increases as net flows were slightly negative. Fixed Income AUM saw significant inflows and a corresponding rise in holdings (see Exhibits 11 and 12, respectively).

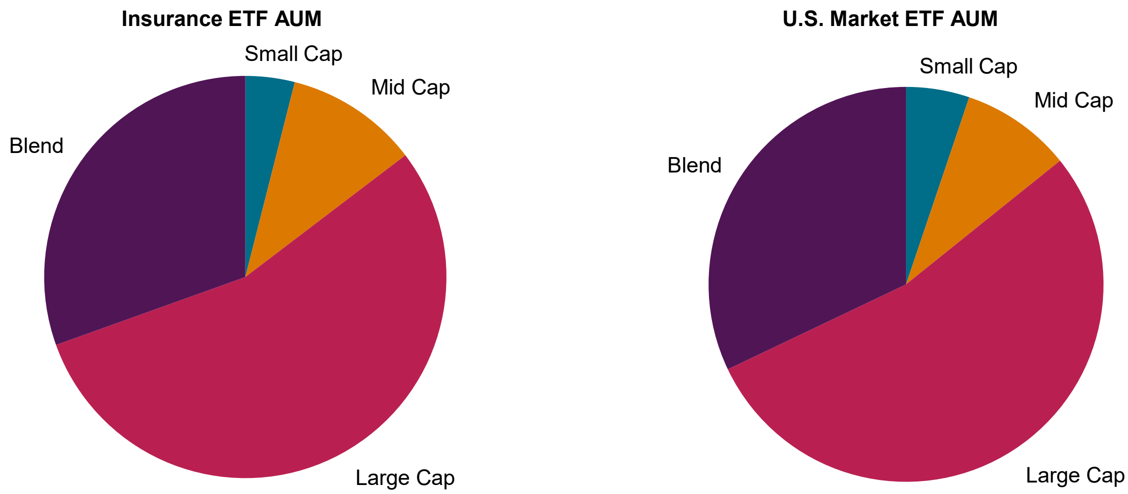
Exhibit 12: ETF AUM by Asset Class



Source: NAIC via S&P Global Market Intelligence. Note that 21% of Fixed Income ETF holdings are reported under Systematic Valuation (SV). Life insurers held 13.3%, P&C held 4.5% and Health held 3.2%. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

By market capitalization, insurance holdings in Equity ETFs reflected the overall market. Large Cap comprised more than half of the market, with Blended ETFs making up about one-third and Small Cap and Mid Cap splitting the remainder (see Exhibit 13).

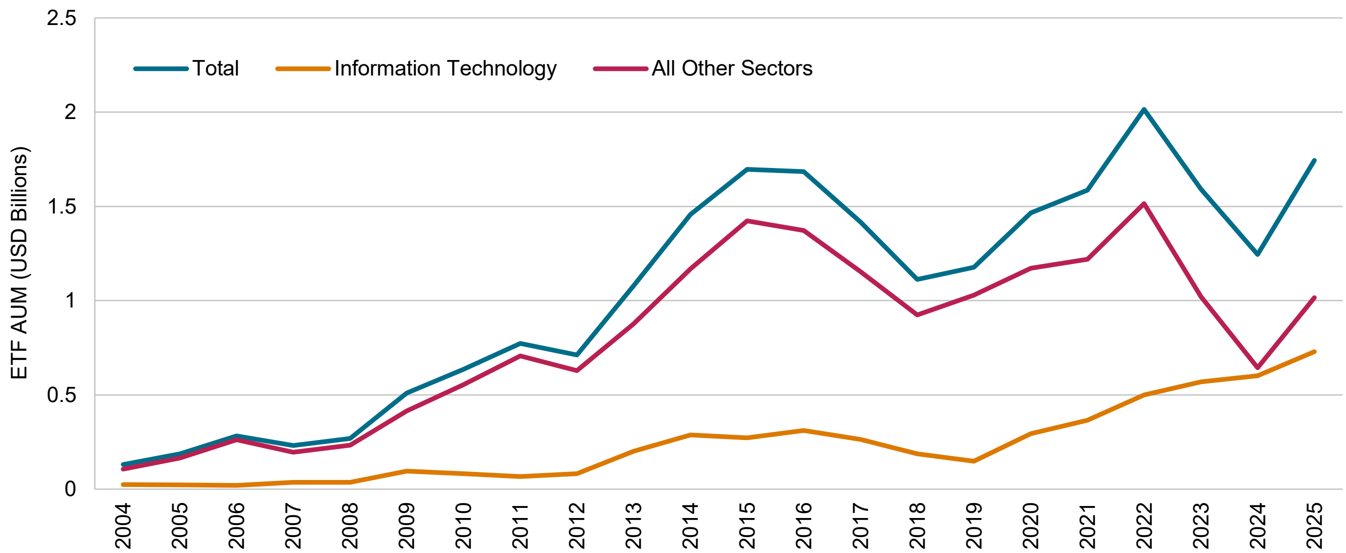
Exhibit 13: Insurance and U.S. Market Equity ETF AUM by Capitalization



Source: NAIC via S&P Global Market Intelligence and CFRA. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

The use of sector-specific equity ETFs rose by 40% in 2025, reversing a trend from the prior two years (see Exhibit 14). The gains were not evenly distributed, with Information Technology accounting for over 40% of total sector ETF AUM.

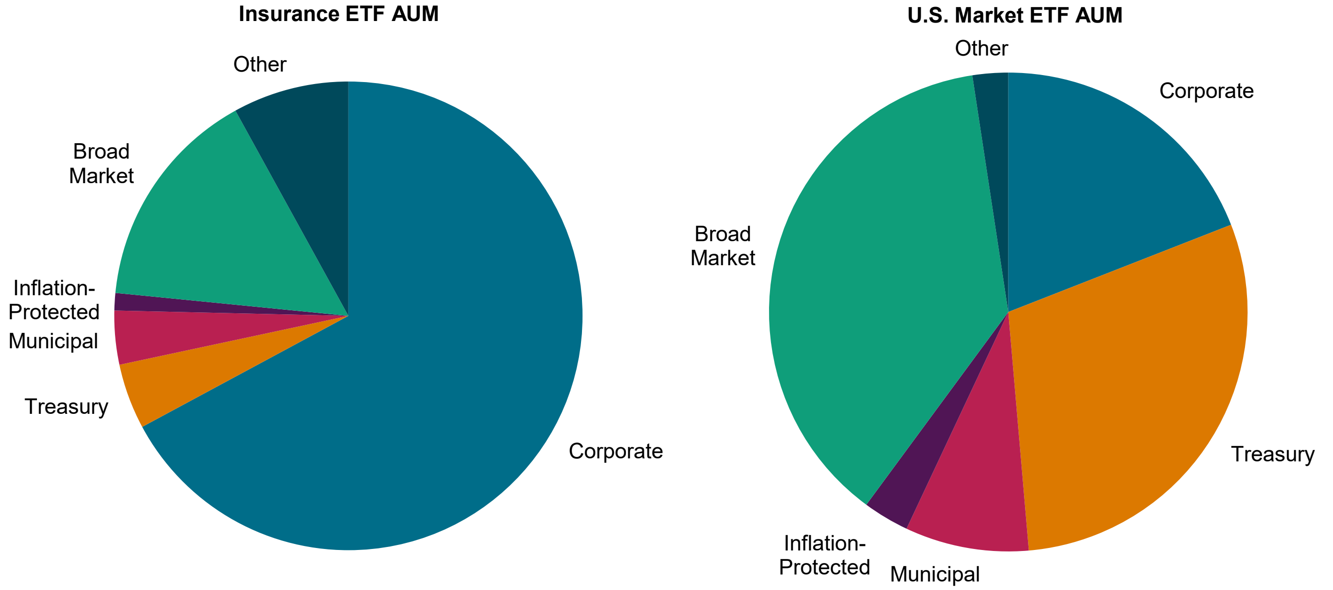
Exhibit 14: ETF AUM Increased across Most Sectors



Source: NAIC via S&P Global Market Intelligence and CFRA. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Corporate ETFs continued to dominate insurance usage of Fixed Income ETFs but made up less than 25% of the overall ETF market (see Exhibit 15).

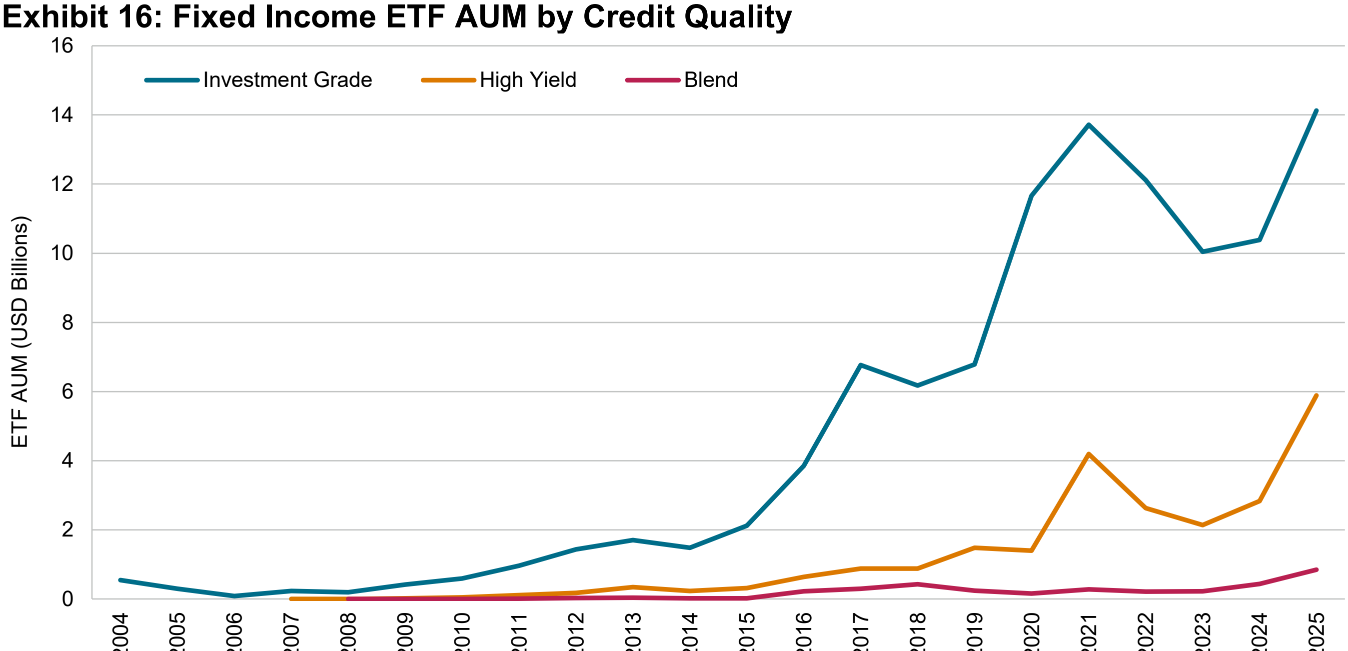
Exhibit 15: Insurance and U.S. Market Fixed Income ETF AUM by Bond Type



Source: NAIC via S&P Global Market Intelligence and CFRA. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

Fixed Income ETF usage continued to increase in 2025, dominated by Investment Grade and High Yield (see Exhibit 16).

Exhibit 16: Fixed Income ETF AUM by Credit Quality

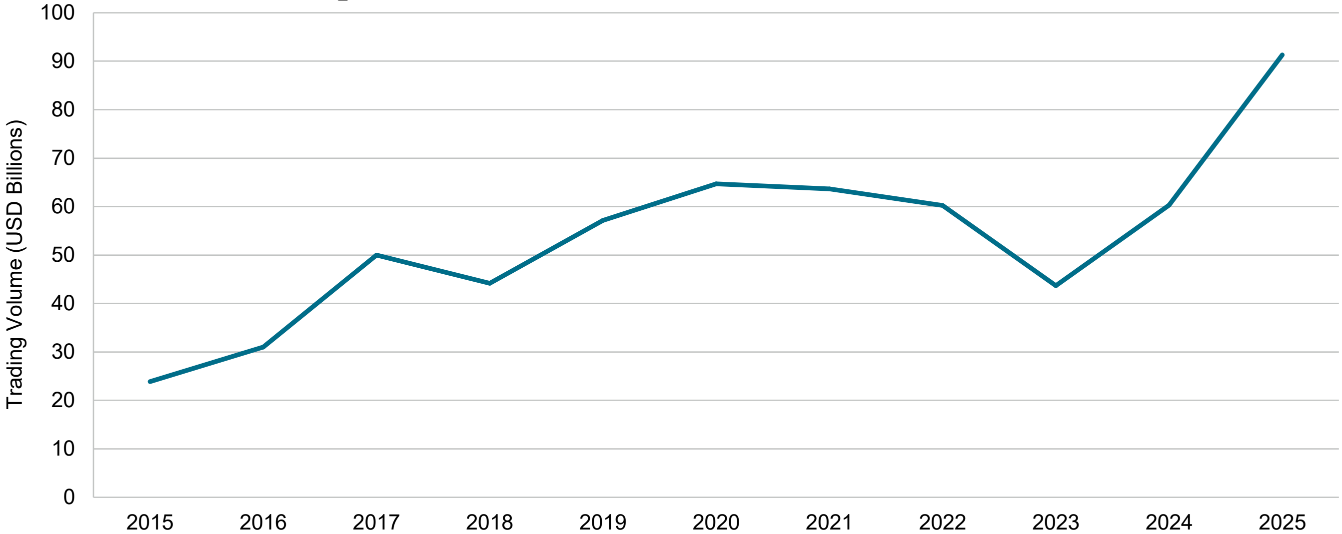


Source: NAIC via S&P Global Market Intelligence and CFRA. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Trading Analysis

2025 saw a 51% increase in ETF trading volume by insurance companies, outpacing the prior peak recorded in 2020 (see Exhibit 17).

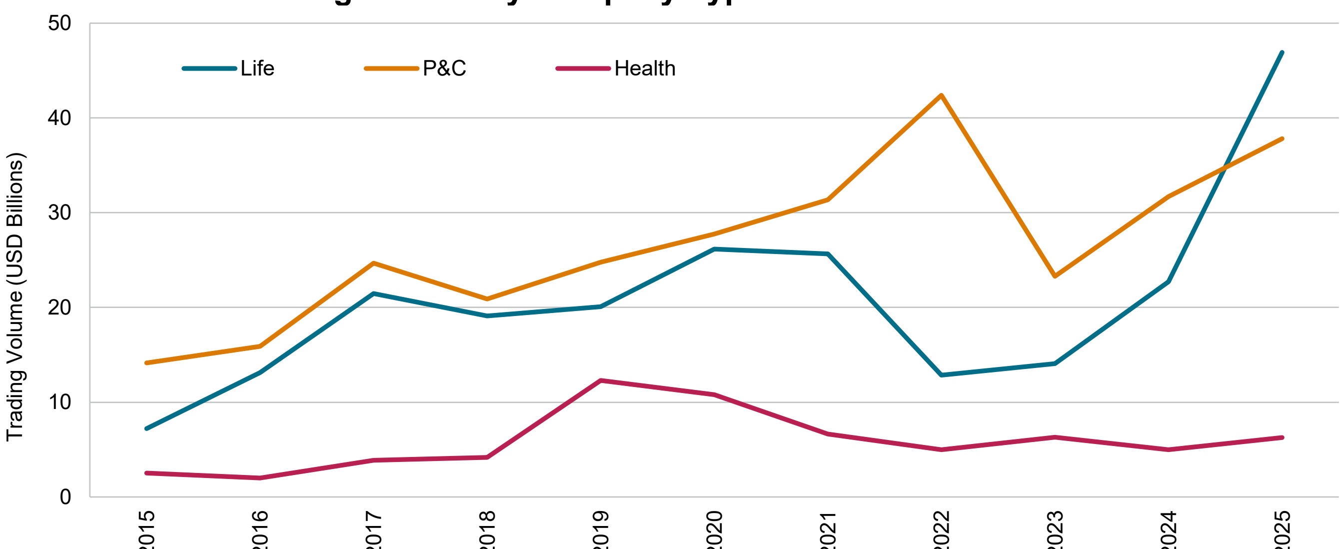
Exhibit 17: ETF Trading Volume



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

In a reversal from the historical trend, most of the ETF trading by insurers was driven by Life companies in 2025, which overtook trading by P&C companies. Trade volumes for Health companies increased slightly (see Exhibit 18).

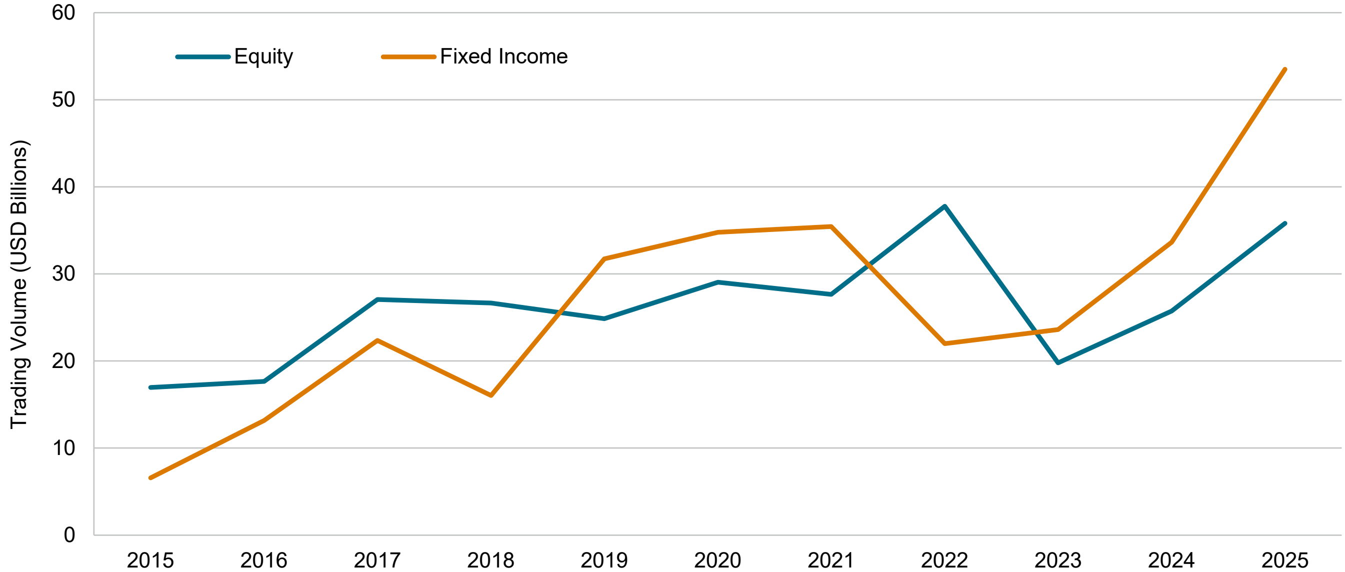
Exhibit 18: ETF Trading Volume by Company Type



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Fixed Income was the most traded asset class by insurers for the third year in a row, and the gap between Equity and Fixed Income ETF trading continued to widen (see Exhibit 19).

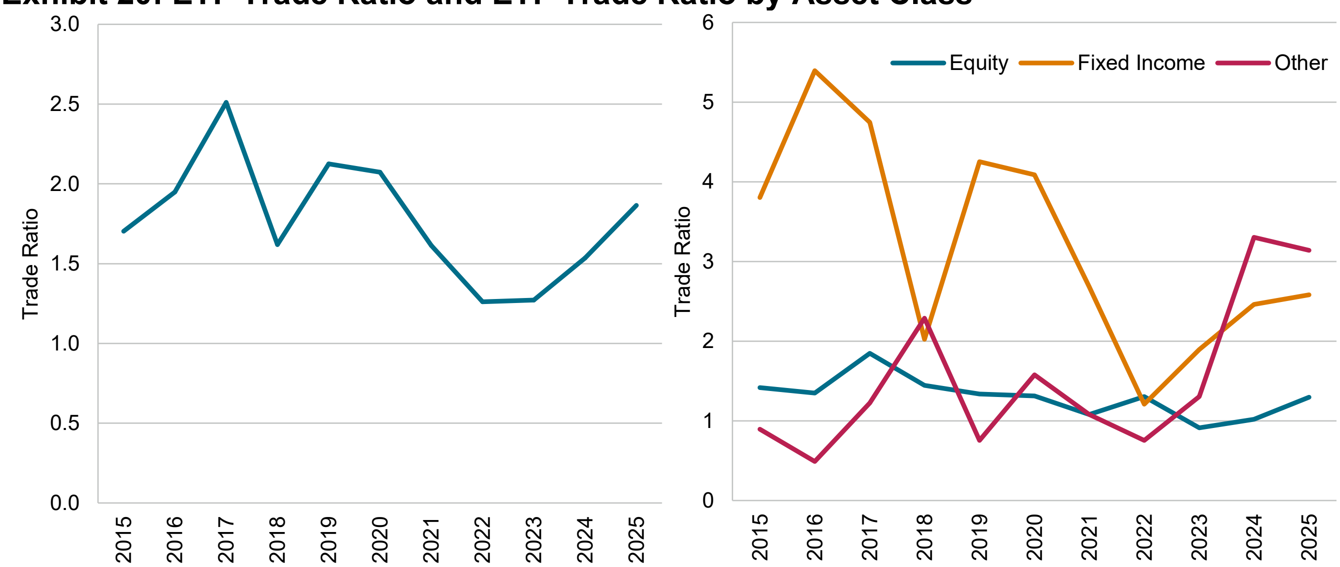
Exhibit 19: ETF Trading Volume by Asset Class



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

We can combine holding and trade data in order to analyze trading volumes relative to assets. The "trade ratio" is defined as the amount traded in a given year divided by the ETF holdings at the beginning of the same year. The overall trade ratio rose for insurers, continuing the upward trend from the prior two years, driven mostly by Fixed Income (see Exhibit 20).

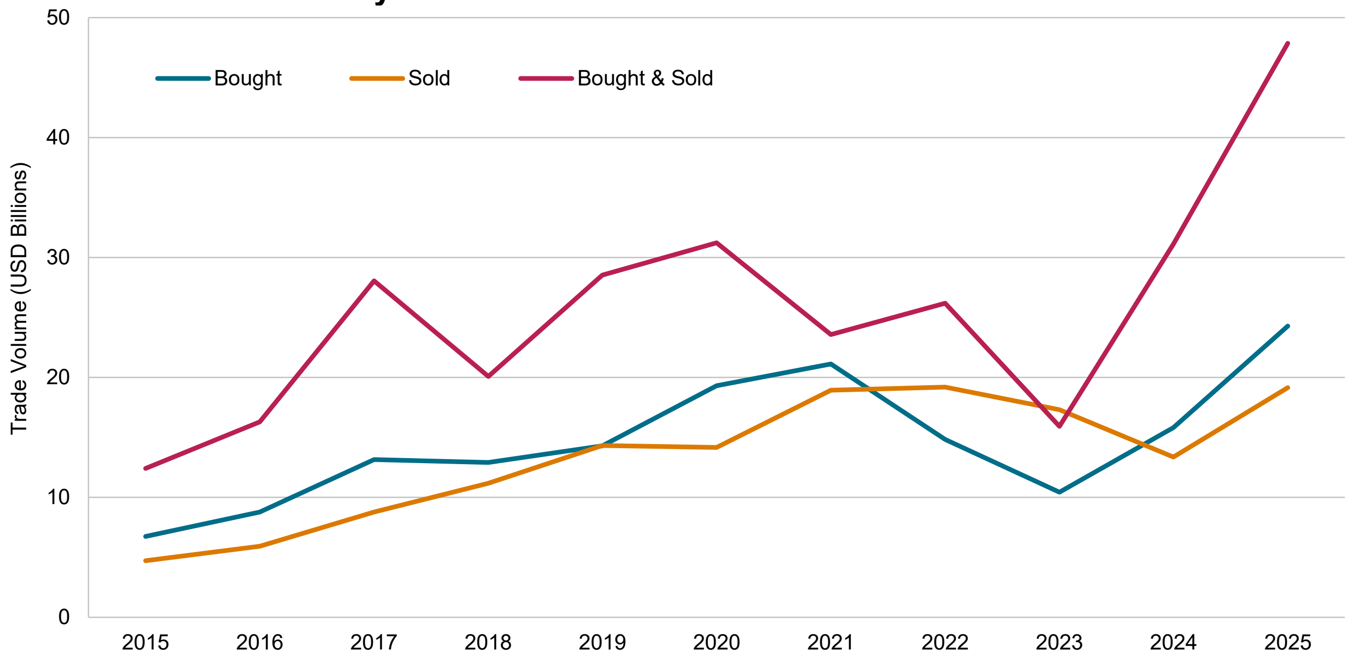
Exhibit 20: ETF Trade Ratio and ETF Trade Ratio by Asset Class



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Charts are provided for illustrative purposes.

Historically, most trades were reported in Schedule D, Part 5; i.e. securities that were bought and sold in the same year. 2025 set a new record, with Bought & Sold ETFs beating the peak last seen in 2020. Bought assets and Sold assets saw increases as well (see Exhibit 21).

Exhibit 21: ETF Trades by NAIC Schedule



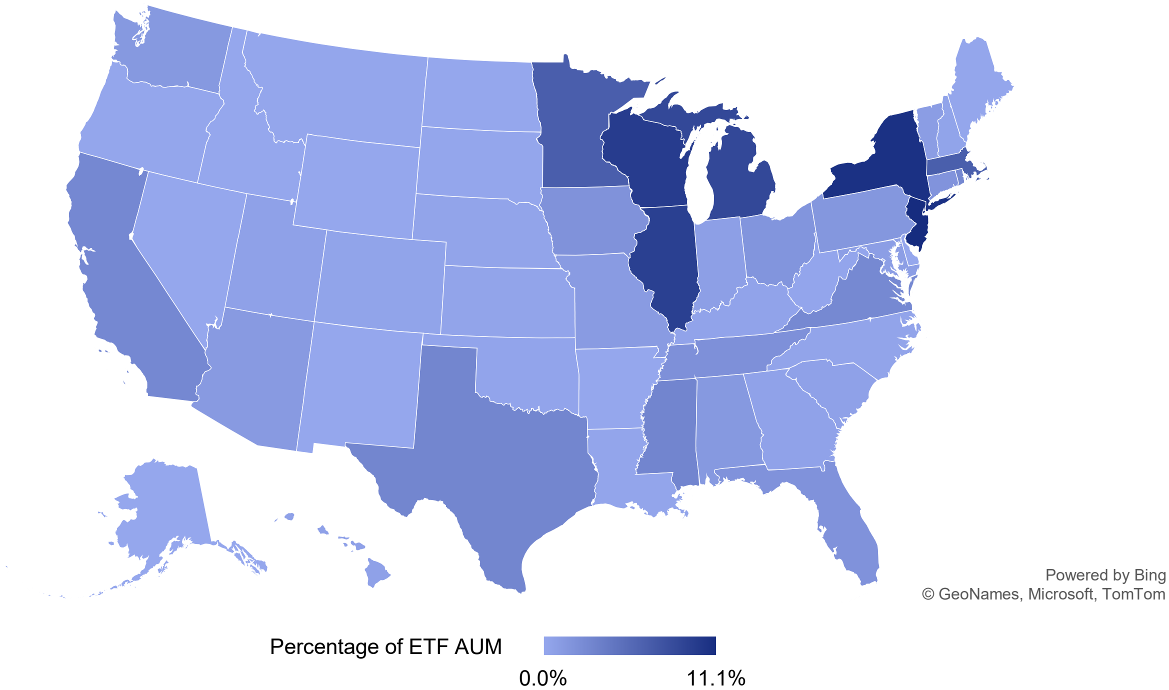
Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Geographic Analysis

Companies domiciled in New Jersey, New York, Wisconsin, Illinois and Michigan accounted for 50% of insurance ETF assets, with New Jersey maintaining its lead from 2024. In a reversal from last year, ETF usage in New York rose, despite a decline in holdings by one Mega insurer. Gains were also observed in Wisconsin, Illinois and Michigan (see Exhibit 24).

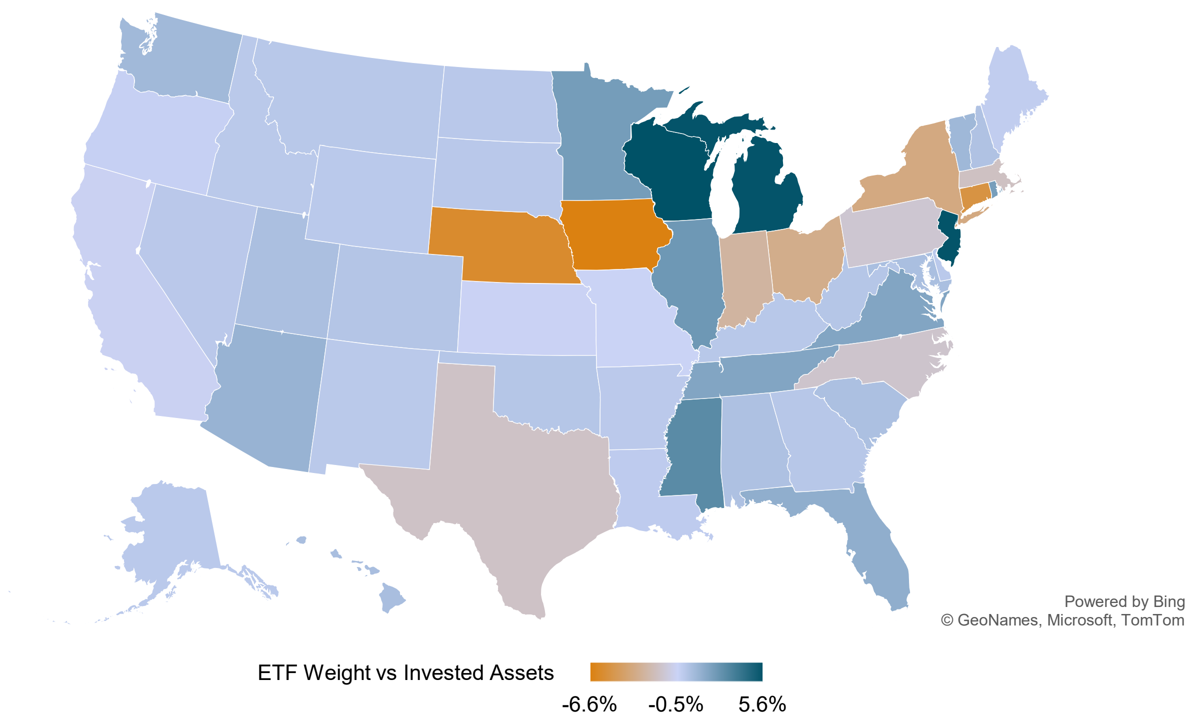
We also analyze the distribution of ETFs relative to invested assets. Wisconsin, New Jersey and Michigan had proportionally more ETFs than invested assets, followed by Mississippi (see Exhibits 22 and 23).

Exhibit 22: ETF AUM By Domicile



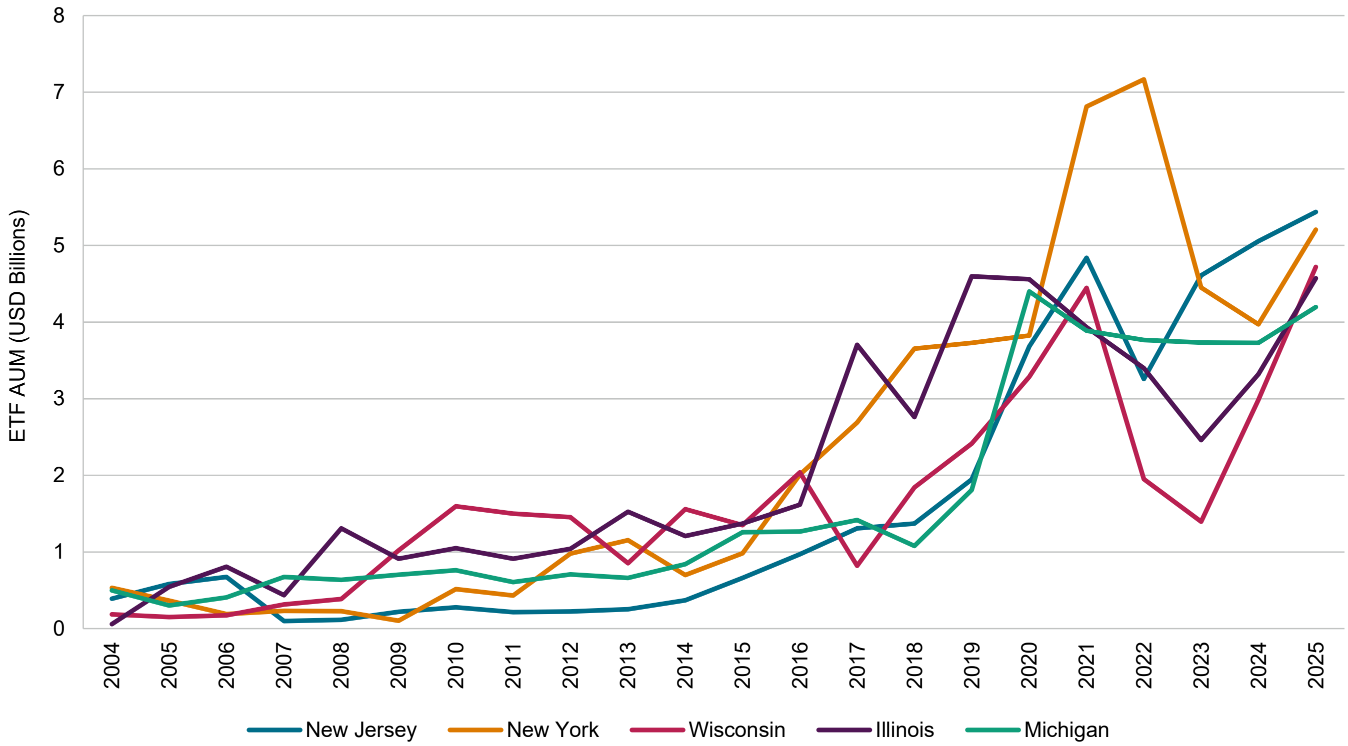
Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Exhibit 23: ETF AUM Overweight/Underweight Relative to Invested Assets by Domicile



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Exhibit 24: ETF AUM Growth for Top 5 Domiciles



Source: NAIC via S&P Global Market Intelligence. Data as of Dec. 31, 2025, compiled on March 25, 2026. Chart is provided for illustrative purposes.

Appendix 1: Methodology

The National Association of Insurance Commissioners (NAIC) requires all U.S. insurance companies to file an annual statement with state regulators. This filing includes a detailed holdings list of all securities held by insurance companies. S&P Global Market Intelligence (SPGMI) compiles this data from the NAIC and makes it available in a usable format. From this database, we extracted all insurance ETF holdings and trades, both current and historical. In addition, CFRA ETF Data, which is an ETF data and analytics company, provided us with a list of U.S. ETFs, as well as characteristics of each ETF—such as asset class, stock strategy, bond credit quality, etc. We combined CFRA ETF classifications with SPGMI statutory filing data to gain insight into how insurance companies use ETFs.

Appendix 1.1: S&P Global Market Intelligence Data

For U.S. insurance companies, we used NAIC data as compiled by SPGMI, based on U.S. insurance companies that filed the data with the NAIC at the end of February 2026. SPGMI retrieved the data and loaded it into its database. The completeness of the database depended on the timeliness of SPGMI receiving the data from the NAIC and the amount of quality control SPGMI performs. To balance data quality versus expediency, we retrieved the data for this analysis on March 25, 2026.

SPGMI classified companies in various ways. For companies that are members of a group, we classified those companies the same way as a group, for example as stock companies, even if a group contained individual companies of various ownership structures (Stock, Reciprocal Exchange, Lloyd’s Syndicate, etc.). For this analysis, we assigned the ownership structure of the parent organization to all the subsidiaries. We do a similar assignment across all the features in this report.

We segregated companies by size, based on their invested assets as of Dec. 31, 2025.

- Small: Invested assets < USD 500 million
- Medium: USD 500 million ≤ Invested assets < USD 5 billion
- Large: USD 5 billion ≤ Invested assets < USD 50 billion
- Mega: Invested assets ≥ USD 50 billion

SPGMI classified the ownership of each company in 16 different ways, which we condensed into four ownership structures.

- Stock: Stock companies
- Mutual: Mutual companies
- Fraternal: Fraternal companies

- Other: BC/BS Not for Profit, BC/BS Stock, Limited Liability Corporation, Lloyd's Organization, Non Profit, Reciprocal Exchange, Risk Retention Group, Syndicate, U.S. Branch of Alien Insurer and Other

Appendix 1.2: CFRA ETF Data

We used CFRA ETF Data (CFRA) as the source of ETF data in this analysis, using the categorization labels developed by CFRA. We assume consistency and completeness of the data provided by CFRA.

We note that insurance companies do not invest in a vast majority of available funds. While we refer to available funds as ETFs, they have varying legal structures. The vast majority of the funds in the list are open-ended ETFs. However, a few large funds have a Unit Investment Trust or Grantor Trust. The remaining legal structures, including semi-transparent ETFs, do not represent a material amount of assets. For this reason, we do not analyze ETF usage by legal structure and refer to all these products as ETFs.

Often, CFRA classified ETFs in more granular detail than was needed for this analysis. In these instances, we combined fields to make our analysis more meaningful.

For example, the CFRA field of asset class contained six different categories. We collapsed these into three.

- Equity: Equities
- Fixed Income: Bonds
- Other: Commodities & Metals, Currency, Target Date/Multi Asset and Other Asset types

CFRA segregated Equity ETFs into eight buckets by market capitalization. We consolidated these into four buckets.

- Blend: Broad Market/Multi Cap
- Large Cap: Large Cap and Mega Cap
- Mid Cap: Mid Cap, Large & Mid Cap and Small & Mid Cap
- Small Cap: Small Cap and Micro Cap

CFRA classified individual sector fields for Equity ETFs to identify whether an Equity ETF was a Sector ETF, excluding ETFs that were not sector specific or rotated through different sectors.

- Not Sector: Not Applicable, Sector Rotation/Combination
- Sector: All Other

CFRA classified Fixed Income ETFs into eight types. We narrowed this into the following six bond types.

- Broad Market: Broad Market
- Corporate: Corporate
- Treasury: Treasury & Government
- Municipal: Municipal
- Inflation-Protected: Inflation Protected
- Other: Convertible, Mortgages and Not Applicable

In terms of credit quality, CFRA classified Fixed Income ETFs as Investment Grade, High Yield, Blend or Not Applicable.

Appendix 1.3: Data Extraction Methodology

SPGMI has two templates to extract data for both ETF Holdings and ETF Transactions from their database. This methodology is slightly different than the extraction methodology previously used in reports published prior to 2023. There is minimal variation in the data extracted by the two methods. In this report, we used the SPGMI templates to extract ETF usage by insurers. For consistency across S&P Global divisions, we will continue to use the templates in future reports.

In order to publish this paper in a timely manner, we extracted the data from the SPGMI database on March 25, 2026. However, as noted above, some of the data remains incomplete.

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