

Managing the whole life insurance portfolio



Craig Sabal | Chief Investment Officer, New York Life

Craig Sabal is the Chief Investment Officer of New York Life. He is responsible for the investment

strategy, asset allocation, and management of the Company's General Account investment portfolio.

Mr. Sabal joined New York Life in 2020 and has more than 25 years of insurance asset management and financial services experience. He has held various positions at New York Life, including Deputy Chief Investment Officer and Head of Fixed Income Investors.

Prior to joining New York Life, Mr. Sabal was the Deputy Chief Investment Officer at AIG responsible for strategic asset allocation and tactical investment decisions for the Life & Retirement and Property & Casualty operating businesses. He also served as Managing Director – Head of the Insurance and Credit Solutions Group for Goldman Sachs and previously held senior financial and consulting positions across investment banking and accounting firms.

Mr. Sabal earned his B.S. degree in accounting from Rutgers University. He holds the Chartered Financial Analyst designation and is a licensed Certified Public Accountant.

New York Life's advisor-led approach—pairing the strength of protection with the opportunity for growth—is most evident in the company's whole life insurance business. In this Q&A, Chief Investment Officer Craig Sabal explains how the roughly \$100 billion whole life portfolio is managed to support long-term promises, deliver steady dividends, and give advisors a reliable platform for integrated, outcome-focused planning.

Q: You joined New York Life in 2020 as Deputy Chief Investment Officer and were recently appointed Chief Investment Officer. Can you tell us about your background and focus in this role?

A: Prior to joining New York Life, I spent more than 25 years in the financial services industry, including nearly a decade at Goldman Sachs advising insurance company CIOs. Throughout the past six years at New York Life, I have overseen the investment strategy, asset allocation, and portfolio management of the Company's \$370 billion General Account alongside Tony Malloy (Chief Investment Officer from 2017 to 2025). Together, we navigated the portfolio through the pandemic, rising inflation, and a significant shift in interest rates. As CIO, I am committed to stewarding the long-term promises and guarantees we make to policy owners to ensure we can meet our obligations today, tomorrow, and decades from now.

Q: The whole life portfolio within the General Account is approximately \$100 billion of total assets. How do you think about managing a portfolio of that size and importance?

A: The whole life portfolio is a critical component of the General Account because of both its size and the long-term promises and guarantees it supports. These obligations often extend for decades, which requires a disciplined investment approach grounded in asset liability matching, diversification, and risk management. Our objective is to construct a portfolio that can perform across a wide range of market environments and support stable policy values, deliver consistent dividends, and underpin the long-term financial strength policy owners have come to rely on.

Q: How do you determine the asset allocation of the whole life portfolio?

A: The asset allocation of the whole life portfolio is driven first and foremost by the nature of the liabilities we are supporting. As a result, the majority of the portfolio is invested in fixed income securities, which provide contractual cash flows well suited to our long-term liabilities and result in relatively stable yields that evolve gradually over time. Within these asset classes, we seek investments offering appropriate compensation for credit and liquidity risk, among other factors, allowing us to enhance risk-adjusted returns while maintaining overall portfolio strength and stability.

Q: We have investment capabilities that set us apart from other institutional investors. What are they and why are they important to New York Life?

A: The foundation of our investment approach is deep expertise in public and private fixed income markets, supported by disciplined credit research and portfolio construction. Building on that foundation, we also have the scale, relationships, and talent to invest selectively in equity asset classes, where appropriate. Across both fixed income and equity markets, our advantage comes from an experienced, tenured investment team, a rigorous investment process, and a top-notch operational infrastructure.

Q: Interest rates have moved significantly higher since the post-COVID lower-for-longer period (i.e., the prolonged stretch of unusually low interest rates). How has the whole life portfolio responded, and how should clients think about rising or falling rates going forward?

A: Given our long-term investment approach, the whole life portfolio is designed to incorporate changes in interest rates gradually rather than all at once. As rates have risen since the post-COVID period, new investments have been made at higher yields, which translate to a higher yield on the overall portfolio. This measured responsiveness works in both directions and helps support more predictable policy values and dividends across interest rate cycles.

Q: From the perspective of a long-term institutional investor, how should clients think about the role of whole life in a broader financial strategy?

A: Whole life is best viewed as a long-term financial foundation rather than a tactical allocation, combining permanent life insurance protection with guaranteed cash value accumulation and potential dividend participation within a structure designed for stability over time. It is typical to have foundational investments in a portfolio, designed for safety and stability rather than for seeking maximum gain. Whole life also offers tax-advantaged growth, generally income tax-free death benefits, and access to liquidity through policy loans, subject to policy terms, allowing it to serve as a stabilizing asset alongside more market-sensitive investments across market cycles.

Final thoughts: Reach out to your New York Life advisor to learn how our personalized, holistic approach can help guide your financial future with confidence and clarity.

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New York Life Insurance Company

51 Madison Avenue
New York, NY 10010
www.newyorklife.com

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