
Fixed Products Lift JNL's Annuity Sales By 8% in 1Q 2009

By Editor Test *Sun, Jun 7, 2009*

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Thanks to an 81% year-over-year increase in fixed annuity sales, Jackson National Life Insurance generated \$2.6 billion in total annuity sales in the first quarter of 2009, up 8% over the same period in 2008. Net flows (premium minus surrenders, exchanges and annuitizations) of \$1 billion were 21% higher than in 2008.

First quarter retail sales and deposits, including deposits from mutual funds and Jackson's separate account subsidiary totaled \$2.7 billion, in line with retail sales and deposits in the first quarter of 2008. Jackson is a unit of the United Kingdom's Prudential plc.

"Customers and advisers favor a business partner that is consistent throughout all phases of the business cycle," said Clark Manning, Jackson's president and CEO. "Jackson's prudent approach to product pricing and risk management is a significant competitive advantage in the current market environment."

Although Jackson's variable annuity sales fell \$300 million, to \$1.5 billion in the first quarter of 2009 from \$1.8 billion in the first quarter of 2008, sales of traditional fixed annuities were \$693 million, up from \$382 million. Index annuity sales were up 83%, to \$354 million, versus the first quarter of 2008.

"In this turbulent market, advisers and their clients are increasingly attracted to the stability of Jackson's franchise," said Clifford Jack, executive vice president and chief distribution officer for Jackson. "Jackson's product offering and wholesaling force has remained relatively consistent, and the company's financial strength ratings are unchanged."

As of March 31, 2009, Jackson was rated A+ (superior) by A.M. Best; AA (very strong) by Standard & Poor's; AA (very strong) by Fitch Ratings; and A1 (good) by Moody's Investors Service, Inc. In the first quarter of 2009, Jackson sold \$12 million in life insurance products, compared to \$14 million in the first quarter of 2008. Jackson did not sell any institutional products during the first quarter of 2009, as the company redirected available capital to support higher-margin annuity sales.

Curian Capital, Jackson's separately managed accounts subsidiary, accumulated \$140 million in deposits during the first quarter of 2009, down from \$310 million during the same period in 2008. As of March 31, 2009, Curian managed \$2.3 billion, down from \$2.6 billion at the end of 2008, due primarily to a double-digit decline in equity markets during the first quarter of 2009.

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