
Indexed Annuity Sales Rebound

By Editor Test Tue, Aug 17, 2010

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Indexed annuity sales totaled \$8.3 billion in the second quarter of 2010. That was 0.1% lower than the same period in 2009 but up 22.8% from the first quarter of this year, according to AnnuitySpecs.com's Indexed Sales & Market Report. The report was based on data from 43 issuers representing 99% of indexed annuity production.

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Allianz Life maintained its lead sales position with a 19% market share. Aviva repeated in second place, followed by American Equity, Lincoln National and North American Company. Allianz Life's MasterDex X was the top selling product for the fifth consecutive quarter. Jackson National Life dominated sales of indexed annuities in wirehouses for the third consecutive quarter.

For indexed life products, second quarter sales were \$165.8 million, an increase of more than 16% from the previous quarter and 25% over the same period in 2009. The survey was based on data from 33 carriers representing 100% of production.

"This quarter's sales are reflective of increased consumer interest in these products, as a result of record-low interest rates on interest-sensitive insurance products. We have never had a greater level of interest in the indexed life market from highly rated insurance companies. Indexed life is finally transitioning from a niche product to mainstream insurance," Moore said.

Aviva held the top sales position, with a 18% market share. Pacific Life, Penn Mutual, AEGON Companies and Minnesota Life followed, in that order. The top product was Pacific Life's Pacific Indexed Accumulator III. Over 80% of sales utilized an annual point-to-point crediting method. The average target premium paid was \$7,036.

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