
Sales of Indexed Annuities Cool in Third Quarter

By Editor Test *Wed, Nov 18, 2009*

"The big story this quarter is the shake-up in rankings among the indexed annuity carriers," said Sheryl J. Moore, President and CEO of AnnuitySpecs.com.

Sales of indexed annuities reached \$7.5 billion in the third quarter of 2009, up 11.3% from the same period last year but down 9.9% from the second quarter of 2009, according to the 45 indexed annuity issuers that participated in the 49th Advantage Index Sales & Market Report.

"Sales are always going to decline when coming off of a record quarter," said Sheryl J. Moore, President and CEO of AnnuitySpecs.com. "The big story this quarter is the shake-up in rankings among the indexed annuity carriers. While some companies' sales are up more than 75%, others' sales are down almost 60%."

Allianz Life captured the top sales spot for the first time since the fourth quarter of 2007, and its MasterDex X is again the top selling product in the category. American Equity rose to second place followed Lincoln National, Jackson National and Aviva. The share of sales through the bank channel has tripled in the past year, and now accounts for 12.3% of overall indexed annuity sales.

For indexed life sales, 33 carriers in the market participated in the Advantage Index Sales & Market Report, representing 100% of production. Second quarter sales fell 1.3%, to \$130.8 million, from the previous quarter but rose 0.9% from the same period in 2008.

Aviva led all companies in sales, with a 20% market share. Pacific Life's Indexed Accumulator III was the top-selling product for the fourth quarter in a row. Nearly 60% of sales were of products using an annual point-to-point crediting method, and nearly half of sales were of 9 to 10 year contracts.

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